



**EMFULENI LOCAL
MUNICIPALITY**

ANNUAL REPORT

July 2007 – June 2008

“YOU BELONG WE CARE”

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DEVELOPMENT PLANNING

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LIST OF ABBREVIATIONS

AFS	-	Annual financial statements
ANC	-	African National Congress
ARV	-	Anti-Retroviral
CAPEX	-	Capital Expenditure
CBD	-	Central Business District
CCTV	-	Close Circuit Television
CEPD	-	Continuing Education Programmes and Development
CLCs	-	community Libraries Committees
CLLR	-	Councilor
CLO	-	Community Liaison Office
CPF	-	Community Policing Forum
CPR	-	Capital Replacement Reserves
DAC	-	Department of Arts and Culture
DACE	-	Department of Agriculture Conservation and Environment
DBSA	-	Development Bank of South Africa
DEAT	-	Department of Agriculture and Tourism
DHAC	-	District Health Advisory Committee
DLG	-	Department of Local Government
DME	-	Department of Minerals and Energy
DORA	-	Division of Revenue Act
DPLG	-	department of Provincial Local Government
DRP	-	District Recovery Plan
DRTW	-	Department of Road Transport and Works
DWAF	-	Department of Water Affairs and Forestry
EAP	-	Employee Assistance Programme
ELM	-	Emfuleni Local Municipality
EPI	-	Expanded Programme on Immunisation
EPWP	-	Expanded Public Works Programme
FBE	-	Free Basic Electricity
GAMAP	-	General Accounting
GDACE	-	Gauteng Department of Agriculture, Conservation and Environment
GIS	-	Geographical Information System
GPLIS	-	Gauteng Province Library Information Services
GRAP	-	Generally Recognised Accounting Practice

HAST	-	HIV and AIDS, Sexual Transmitted Infections and Tuberculosis
HR	-	Human Resources
ICT	-	Information and Communication Technology
IDP	-	Integrated Development Plan
IGR	-	Intergovernmental relations
IMESA	-	Institute of Municipal Engineers of South
IMTs	-	Integrated Management Teams
INCA	-	Infrastructure Finance Corporation
IT	-	Information Technology
KPAs	-	Key Performance Areas
LED	-	Local Economic Development
LIS	-	Library Information System
LLF	-	Local Labour Forum
LUM	-	Land Use Management
MMC	-	Member of Mayoral Committee
MFMA	-	Municipal Finance Management Act
MOU	-	Memorandum of Understanding
MPRA	-	Municipal Property Rates Act
MIG	-	Municipal Infrastructure Grant
NCLIS	-	National Council for Library Information Services
NFPA	-	National Fire Prevention Association
NGO	-	Non Governmental Organization
NPA	-	National Prosecution Authority
PHC	-	Primary Health Care
PMDS	-	Performance Management Development System
PMTCT	-	Prevention of Mother to Child Transmission
PMU	-	Project Management Unit
PMRs	-	Project Management review
PPE	-	Property Plan and Equipment
PRVs	-	Pressure Reducing Valves
RDP	-	Reconstruction and Development Program
RG	-	Restructuring Grant
ROD	-	Record of Decision
SAICE	-	South African Institute for Civil Engineers
SALGA	-	South African Local Government Association
SAMTRAC	-	safety Management Training Course

SAPS	-	South African Police Services
SCMB	-	Standard Corporate Merchant Bank
SDBIPs	-	Service Delivery and Budget Implementation Plans
SDM	-	Sedibeng District Municipality
SMME	-	Small Micro Medium Enterprises
SRAC	-	Sports, Recreation Arts and Culture
STATSSA	-	Statistics South Africa
SPWP	-	Special Public Works Programme
TB	-	Tuberculosis
VAT	-	Value Added Tax
VCT	-	Voluntary Counseling and Testing
WAN	-	Wide Area Network
WWTW	-	Waste Water Treatment Works
XDR	-	Extremely Drug Resistant

CHAPTER 1

INTRODUCTION AND OVERVIEW



2007/08

MUNICIPAL MANAGER'S SUBMISSION OF THE ANNUAL REPORT (JULY 2007 – JUNE 2008) OF EMFULENI LOCAL MUNICIPALITY TO THE HONOURABLE EXECUTIVE MAYOR: CLLR A. MUSHUDULU

The MFMA requires that every Municipality and its entities prepare an annual report in line with Chapter 12 of MFMA. It is my duty, and honour to submit the 2007/2008 Annual Report of Emfuleni Local Municipality.

The purpose of this report is to;

- i. Provide record of activities of the Emfuleni Local Municipality during the 2007/2008 Financial Year
- ii. To provide report on performance as reflected in SDBIP's against the Budget allocation for the year 2007/2008.
- iii. To promote accountability to the Emfuleni community for the decisions made in 2007/2008.

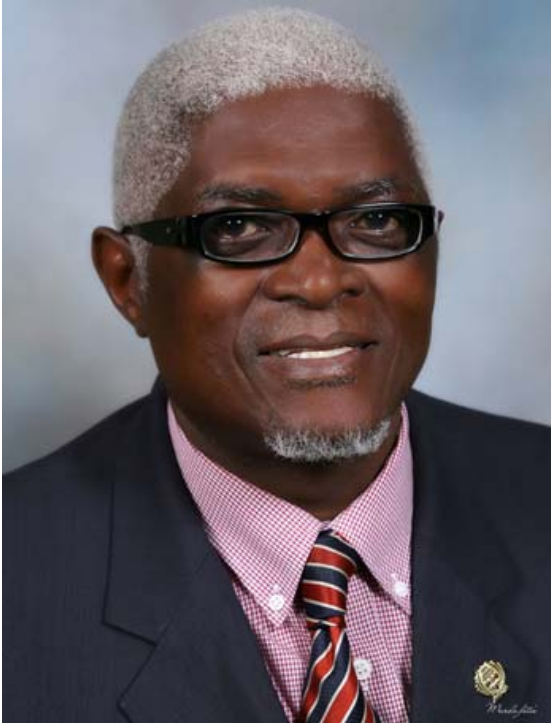
The report further includes the Audited Financial Statements by the Auditor-General in terms of section 126(3) of MFMA. In the 2006/2007 annual report it was reported that it was the first time that ELM got its audited financial statements within the prescribed time. Failure by ELM to submit required information to the Auditor General deprived ELM the opportunity to improve its performance guided by Auditor General's report. The negative (lag effect) of this is still with us as depicted in Chapter four (4) of our report.

In conclusion, may I submit to the Honorable Mayor this annual report and ensure the Executive Mayor that, despite the constraints indicated above, we have endeavored within our power and capacity to abide by the entire legal framework dictated by MFMA, Structures Act, the Systems Act and all related legislation.

T.W. MOETI
ACTING MUNICIPAL MANAGER

FOREWORD

BY THE EXECUTIVE MAYOR



Yet again we present the Emfuleni Local Municipality's annual report to both its residents and the MEC for Gauteng Local Government, Honourable Qedani Mahlangu. The report addresses the strides taken by the municipality to execute its duties, responsibilities and mandate to provide services to the community and the challenges encountered.

Within the realms of intergovernmental relations we have through our partnerships with various government departments embarked on an aggressive plan to change the face of our communities. Through the neighborhood grant, the 20PTP, the Evaton Urban Renewal and Boipatong Urban Renewal and our international twinning program change is visible. In bringing services closer to our people, the erection of the Mafatsane Thusong Community Centre, the building of a clinic in Sebokeng, road construction in Boipatong and other areas bear testimony to this.

Provision of health is one of our key programs. There should be basic health care and an affordable health-care system and cheaper medicines. We have together with the Health Department launched a pilot project in the provision of cheaper and affordable medicines and primary health care as informed by our social transformation agenda. A mobile clinic which is manned by the nursing staff has been procured and it services the community of Evaton West which comprises 12 800 households.

We are obliged, as mandated by our people, to build decent and quality houses hence our resolve' that there shall be houses, security and comfort. At the core of this program is the eradication of informal settlements.

In concert and in partnership with the Provincial Department of Housing we have handed over thousands of house to our people. Through the Ziveze/Ithlagise Campaign we had a huge response and turnout from our people to register for houses and up date the housing register. This campaign confirms our commitment to provide shelter to our people. Massive housing development is underway to address housing shortage.

Roads and improvement in storm water are moving at a faster pace. We have tarred roads and graveled dilapidated ones. In speeding service delivery, we are the first ones in country to design the ward base project model. Through our Ward based projects massive roads and storm water construction will be taking shape.



Councillor SA Mshudulu

EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER

INTRODUCTION AND CONTEXT

Informed by the above mandate and the history of Emfuleni summarized below: Emfuleni Local Municipality embarked on an aggressive and comprehensive strategic planning sessions that was cascaded over several months to all levels in the structure of the Municipal Manager.

Prior and during the Project Consolidate intervention, there were major Institutional and Governance challenges identified that were critical in reviewing our plans and strategy, these included amongst others the following:

- Lack of Planning Capacity (Esp. Long Term)
- Lack of Research and Development Capacity
- Poor Policy Development Coordination and Implementation
- Non Responsive Organizational Structure that was accommodative rather than functional
- Lack of Human Resources Development Strategy and Planning
- Poor Asset Management
- Poor Information Management Capacity (IT, Records, Administration)
- Poor Customer Service Ethos (Non-institutionalization of Batho Pele Principles)
- Lack of Communication and Marketing and Public Relations Capacity
- IDP and Budget Alignment not fully Credible
- Outdated delegations of Authority / Separation of Powers and Functions
- Inadequate Audit Capacity/Integrity
- Poor Risk management (Public, Business Risk, Operational Risk, Disaster Management etc)
- Major Performance Management System challenges (both for Personnel and Institutional).
- Non-existence of Inter-Governmental Relations Framework (District, Sectoral, Cities Network etc)
- Inadequate Information Management and Storage (Poor IT Infrastructure)
- Constraints in the form of shortages of offices accommodation, dilapidated office infrastructure, critical backlog of fleet and equipment
- Poor Fleet management, Utilization and Allocation
- Poor Management of Property (Rental and Council)
- Uneconomic Management (Maintenance) of Property

Emfuleni Local Municipality Planning Process and alignment of the mandate became a critical factor. It was a necessary and sufficient condition to put Emfuleni Local Municipality back to the critical performance path.

The evolution of the processes that Emfuleni Local Municipality engaged in to achieve and comply with legislation reflected in Section 2 above was preceded by a Strategic Planning Session process between March and December 2007. This process included Political and Senior Managers of Emfuleni Local Municipality.

The endeavors of the various strategic sessions has yielded positive output in that the linkages between and among the following: Integrated Development Plans (IDP), Medium Term Business Plans; Medium Term Budgets; Service Delivery and Budget Implementation Plans (SDBIP's); Performance Management Development Systems (PMDS's) and Organisational Structure/Sound establishment i.e. organizational structure that is functional not only accommodative has been established.

In developing the SDBIP's we opted on what we believed was a sustainable and the right route to take. We initiated an unprecedented programme of cascading the mandate, the strategy, mission, vision and strategic objectives to the majority of the staff. It was an unprecedented engagement which involved over 80% of the staff; across sections of senior managers to ordinary workers. We executed that process without outside consultants.

We took the opportunity to simultaneously effect the first Key Performance Area (KPA): Institutional Transformation and Development in the process of development of SDBIP's. This was to ensure that both the political leadership and the critical mass of officials and ordinary workers in the administration are empowered and given the opportunity to be able to be part of the transformation and development of this institution. It is pleasing to note that we are all seeing the fruits of that investment in human capital.

It was a protracted and productive process that aimed at ensuring building of capacity in Emfuleni Local Municipality by focusing on transformation of Service Delivery on our structures and systems as well as an intensive human capital investment initiative. We are now confident that the Five Year Strategic Agenda for Local Government as well as the development of plans, (both financial and non-financial) are not a preserve for senior managers only but all staff at the coal face of delivery. This process extended over three months. We are confident that Emfuleni Local Municipality has "turned the corner" out of the Project Consolidate but there are still challenges that needs to approached head-on.

The outcome of this process was a common vision, mission, values, strategic goals as well as the high level organization structure. The approval of an orgonogram which is subject to annual reviewal and the appointment of the Municipal Manager and the Section 56 Managers reporting directly to the Municipal Manager was a great achievement. Subsequent to that the Municipal Manager was suspended and two of the section 56 employees resigned.

"You belong, We care"

VISION

"A developmental municipality that continuously improves the quality of life of its residents."

MISSION

Emfuleni Local Municipality will accelerate Service Delivery and Socio Economic Development by:

- Continuous Improvement of Quality and Quantity of Service Delivery
- Deepening Democracy and Strengthening Public Participation
- Achieve Sustainable Financial and Economic Viability
- Improving Institutional Capacity and Performance
- Capable of Achieving Efficiency and Effectiveness
- Create a Safe and Healthy Environment
- Live and Practice Batho Pele Principles
- Create a Conducive Environment for Local Economic Development

VALUES

- Responsive
- Disciplined & Responsible
- Accountability & Transparency
- Respect
- Honesty and Integrity

MANDATE AND STRATEGIC OBJECTIVES

MANDATE

The Emfuleni Local Municipality's strategic thrust is informed by the following:

The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), especially Chapters 3 and 7;

- ❖ White Paper on Local Government (1998);
- ❖ Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);
- ❖ Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);
- ❖ Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- ❖ Ratings Ordinance of 1977;
- ❖ ELM approved IDP and

The Five year Strategic Agenda of Government, i.e. the Key Performance Areas (KPA's) are:

- Municipal Transformation and Organizational Development
- Municipal Basic Service Delivery
- Local Economic Development

- Financial Viability
- Good Governance and Public Participation

and they are aligned to the National and Provincial KPA's.

STRATEGIC OBJECTIVES

- Provide Basic Services
- Achieve Sustainable Financial Viability
- Ensure Good Governance and Institutional Capacity
- Deepening Democracy
- Create the Culture of Effective Communication
- Ensure Social and Economic Development
- Promote a Safe, Secure, and Healthy Environment
- Promote Optimal Spatial Development

OVERVIEW OF THE MUNICIPALITY

This chapter aims to briefly describe the environment within which the Emfuleni Local Municipality exists. It reveals the current realities of external factors such as local economic development, demographics, spatial development, environmental issues, housing and shelter conditions, health, human and social condition, public needs and an enabling institutional framework.

LOCALITY AND DESCRIPTION OF EMFULENI MUNICIPAL AREA

The Emfuleni Local Municipality is one of three Local Municipalities comprising the Sedibeng District Municipality. It is the Western-most Local Municipality of the District, which covers the entire southern area of the Gauteng province extending along a 120 kilometers axis from east to west. It covers an area of **987.45 km²**. The Vaal River forms the southern boundary of the Emfuleni Local Municipality and its strategic location affords it many opportunities for tourism and other forms of economic development. Emfuleni shares boundaries with Metsimaholo Local Municipality in the Free State to the south, Midvaal Local Municipality to the east, the City of Johannesburg Metropolitan area to the north and Westonaria and Potchefstroom (in the North West Province) Local Municipalities to the west.

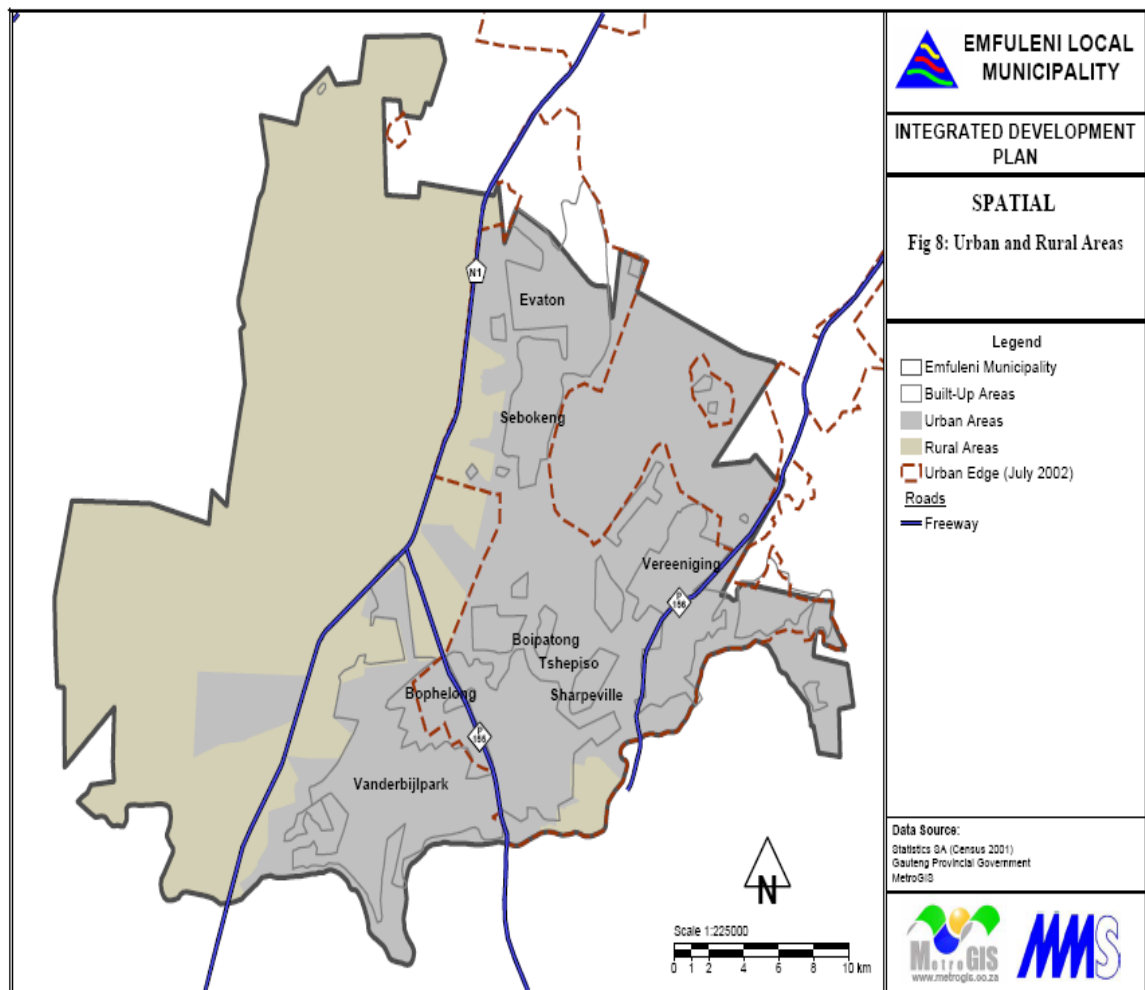
The Municipality is strategically located with access to a well-maintained road network – N1 national route linking Johannesburg and Bloemfontein which traverses Emfuleni. The municipality has two main town centres, which are Vereeniging and Vanderbijlpark within the area and Sasolburg is only 10 kilometers to the south, across the provincial boundary. It forms the “heartland” of what was formerly known

as the Vaal Triangle, renowned for its contribution to the iron and steel industry in South Africa.

Emfuleni also contains approximately six (6) large peri-urban townships of Evaton, Sebokeng, Sharpeville, Boipatong, Bophelong and Tshepiso. The latter six areas lack facilities associated with towns of their size. The other approximately ten (10) small settlements tend to be suburban settlements within six kilometers of the above towns are Bonanne, Steelpark, Duncanville, Unitas Park, Sonland Park, Waldrift, Rust-ter-Vaal, Roshnee and Debonair Park.

The area also comprises a number of large residential areas, all of which require considerable investment in infrastructure and environment upgrading. The Emfuleni Local Municipality is rich in history as it encapsulates the Anglo Boer War, heritage assets such as the Sharpeville monument and the liberation struggle epitomized by the signing of the Constitution in 1996 in Sharpeville. Emfuleni's settlement patterns are largely dictated by the history of the area.

The following is a locality map of the municipal Area:



DEMOGRAPHIC PROFILE

Population Size

The current population of Emfuleni Local Municipality is estimated at 658 422 (Stats SA, 2001). The current estimated population for the Sedibeng District Area is 833 772. This comprises 187 040 households (excluding collective living quarters) according to the Census 2001.

It should be noted that the demographic figures used in this document are sourced from statistics SA 2001 information as this is the only officially accepted by the National Treasury for allocation purposes. Any other figures used is for information purposes only.

Population Distribution

Emfuleni is a largely urbanised municipality, with high population concentrations and density compared to other municipalities making up the District. In fact, the municipality houses around 80% of the population in Sedibeng district.

Population Composition

The racial composition of Emfuleni population is indicated in the table below and geographically most of the African population is concentrated in areas such as Sebokeng, Evaton, Sharpeville, Boipatong, Bophelong and Tshepiso. This illustrates the past racial divisions within the municipality. This tends also to reflect the socio-economic geography of the municipality and the pattern of access to services.

Demographic Composition ***(Source: Census 2001)***

	AFRICAN	COLOURED	INDIAN/ASIAN	WHITE	TOTAL
MALE	271 011	3 416	3 010	45 254	322 691
FEMALE	282 296	3 595	2 881	46 959	335 731
TOTAL	553 307	7 011	5 891	92 213	658 422

The table below depicts the population projections from 2001 - 2005 for Emfuleni Local Municipality. The projections were based on a 4.6% growth rate from 2001 – 2005 (DBSA, 2005).

Population Growth

(Source: Urban-Eco calculations based on 1996 and 2001 Stats SA data, 2006)

Area	Population			Growth Rate
Emfuleni Local Municipality	1996	2001	2006	2.0%
	596 846	658 398	726 298	

Emfuleni Local Municipality contributes 82% towards the total population of Sedibeng District Municipality which stands at 885 182 in 2006. This means population within the district is mainly concentrated in Emfuleni.

Migration and Population Flows

Population migration for Emfuleni between 2001 and 2004 is estimated at 49 928, a migration rate of 7.6% (DBSA, 2005).

Below are migration statistics (in and out) for Emfuleni between 2001 and 2004.

4

Main Area	Inflow	outflow
Boipatong		-4 885
Bophelong	16 962	
Evaton	13 975	
Sebokeng	13 570	
Sharpeville		-3 208
Tshepiso	9 987	
Vanderbijlpark		-2 390
Vereeniging	6 097	
TOTAL	60 632	-10 704

The high growth rate indicates that Emfuleni has a history of high migration. This high migration rate could be ascribed to the new housing developments attracting new residents.

Age distribution

Some interesting characteristics of the population are important to note for their implications for development in the municipality:

- 35% of the population is below the age of 34 – this youthful population will make different demands on the municipality than an older, mature population, for example, on education, sport and recreation, libraries and other community facilities. The numbers of youth appear to be declining over time, possibly indicating a declining birth rate in the population.
- The highest population in any cohort is in the 15 – 34 age cohorts, followed closely by the 35 – 64 cohorts. These categories alone comprise 21.79% of the male population and 20, 29% female population. This population category represents young work-seekers and those who are establishing family units. They are also a grouping very vulnerable to HIV infection. Their demands will be felt on housing, sport and recreation facilities, job creation and health facilities.
- The largest percentage of the population falls within the economically active cohorts. **Given the slow economic growth** and lack of jobs, this population group will continue to be pushed towards poverty, exacerbating the financial crisis the municipality finds itself in through an inability to afford services.

Employment profile of Emfuleni

The next tables show the monetary and percentage contribution of the different sectors of Emfuleni economy to the total remuneration in Emfuleni for the year 2001. The largest percentage (41.5%) of remuneration is paid by the manufacturing sector, while the second largest (27.7%) is paid by the services and other sectors and the third large one of 10.3% is paid by the trade sector. The highest monthly wages are paid by the

electricity, gas and water. They are followed by the manufacturing and transport sectors.

TABLE: ECONOMIC SECTORS

ECONOMIC SECTOR	EMPLOYMENT (NUMBER)	PERCENTAGE (%)
Agriculture	2 209	1.9
Mining	1 230	0.8
Manufacturing	34 122	22.2
Electricity/Gas/Water	2 367	1.5
Construction	7 812	5.1
Trade	25 717	16.7
Transport	7 277	4.7
Financing	13 228	8.6
Services & Other	29 105	18.9
Tourism & Entertainment	2 176	1.4
Private Households	17 124	11.1
Undetermined	10 580	6.9
TOTAL	153 657	100.00

Source: Municipal Demarcation Board 2003 and Slabbert and Slabbert 2002a: 106 for calculations of estimates for tourism & Entertainment. Source of Income per Economic Sector.

TABLE: LABOUR FORCE

		COMPARISON OF PERCENTAGES		
		SURVEY DATA 1999	CENSUS 2001	SURVEY DATA 2003
POPULATION	658,422	100,0%	100,0%	100,0%
Less: Persons 0-14 years & 65+ Years of age & the disability & Economically non- active population	344 732	53.4%	52.4%	54.2%
Economically active	313 690	46.6%	47.6%	45.8%
Employed	153 655	22.7%	23.3%	21.0%
Unemployed	160 035	23.9%	24.3%	24.8%

Source: calculated from Municipal Demarcation Board 2003; Slabbert & Mokoena 1999; Slabbert 2003

Unemployment Rate and Number of Poor Households

Using the standard equation as defined above, the unemployment rate (Ur) (expanded definition) is calculated at 51% from 2001 Census data (Municipal Demarcation Board 2003).

The unemployment rate for Emfuleni is higher than that of all municipalities in Gauteng, as well as the Northern Free State (Stats SA 2003a). The national figure for the year 2001 was estimated at 41.5% for 2001 (BER 2001). The rate determined for Emfuleni from the 1999 survey data was 51.3% and 54.1% from the 2003 survey data. However, according to Global Insight overall employment (both informal and formal) for Sedibeng grew over the 7-year period with slightly more than 2% per year (refer to Global Insight, 2004)

The next table shows the poverty gap calculated for the total population of Emfuleni. The number of households below their respective poverty lines is estimated at 100,414 for the year 2003. That is 51.6 per cent of all the households in Emfuleni. The combined monthly shortfall of income (poverty gap) of these households amounts to R80.23 million per month (R962.77 million per year). The average shortfall per poor household in Emfuleni amounts to R799 per month (R9, 588 per year). For the entire Sedibeng district, the distribution of household income for 1996 and for 2000 was virtually the same (Global Insight, 2004).

TABLE: POVERTY GAP ANALYSIS OF POOR HOUSEHOLDS IN EMFULENI (2003)

Number of poor households	100,414
Monthly poverty gap amount of poor households	R 80.23 million
Yearly poverty gap amount of poor households	R 962.77 million
Average poverty gap per household per month	R 799
Average poverty gap per household per year	R 9,588

Source: Slabbert 2003.

This aspect of analysis reflects on the municipality's activities and how they impact in particular on communities that the municipality serves. As such this analysis will focus on service delivery, financial viability and institutional issues.

ECONOMIC ENVIRONMENT

The production profile of the economy consists of three main categories namely the primary, secondary and tertiary sectors. Below is a breakdown of the 9 sectors. The year 2003 was in particular a good year as Emfuleni economy performed in particular well relatively comparing to Gauteng and the national in most of the sectors.

Primary sector

The primary economic sector consists of two sub-sectors, namely Agriculture and Mining. Agriculture's relative contribution to the GGP of Emfuleni decreased from 1.7 per cent in 1996 to 1.5 per cent in 2003. The average annual growth rate for the sector from 1996 to 2003 was 0.6% at constant prices. The agricultural sector offers a relatively small degree of economic activity in Emfuleni. Mining contributes only 0.2 percent to GGP of Emfuleni. The contribution of the mining sector to the GGP of Emfuleni declined from 0.5 per cent in 1996 to 0.2 per cent in 2003. The average growth rate from 1996 to 2003 was -13.0% per annum at constant prices.

Secondary sector

Secondary economic activities in Emfuleni consist of three sub-sectors, namely Manufacturing, Electricity/Gas/Water and Construction. Their contributions, growth rates and constituents are discussed.

Manufacturing

Emfuleni manufacturing sector is largely dominated by metals, metal products, machinery and equipment industries. The dominant company is iron and steel and is considered to be the biggest steel sector agglomeration within the country. The metals and metal products industry has undergone major restructuring in the past few years, resulting in job shedding. It has been growing at a relatively low 1.2% per annum. The petrochemical industry is the second major manufacturing sub sector. Unlike the steel industry, it has been growing at a relatively fast pace between 2000 and 2006.

The relative contribution of Manufacturing towards the GGP of Emfuleni decreased slightly from 39.5 per cent in 1996 to 38.7 per cent in 2003. The manufacturing sector can be regarded as the dominant economic activity in Emfuleni. The average annual growth rate from 1996 to 2003 was 3.1% (constant prices).

Emfuleni has a wide range of industrial activities. The industrial activities are recorded in the next table with their share in the manufacturing sector's GGP contribution.

TABLE: INDUSTRIAL ACTIVITIES, EMFULENI 2003

SECTOR	% SHARE IN MANUFACTURING'S GGP CONTRIBUTION	2000-2006 GROWTH RATE
Food, beverages and tobacco	2.4%	0.1%
Textiles, clothing and leather goods	0.6%	-0.1%
Wood and paper; publishing and printing		-0.8%
Petroleum products, chemicals, rubber and plastic	8.0%	3.1%
Other non-metallic mineral products	3.2%	3.0%
Metal, metal products and machinery	75.0%	1.2%
Electrical machinery and apparatus	2.4%	0.4%
Radio, TV, instruments and clocks		0.8%
Transport equipment	2.5%	3.6%
Furniture and other manufacturing	3.2%	0.1%
Manufacturing sector (R'ml)	5 386.4	1.3%

Source: Urban-Eco calculations based on Quantec data, 2006

The table above illustrates that the economy in Emfuleni is highly dependant on manufacturing.

Mittal Steel performance

Mittal Steel previously known as Iscor and then Ispat until it is currently trading as Mittal Steel South Africa. It registered record earnings of R4 541m (1 019c per share). This is as a result of international steel prices that attained all time high levels, strong domestic demand growth and the fact that cost escalations were successfully contained. Growths in the domestic steel sales volume were at 22% in 2004. As of 2000 there has been a very rapid growth within the global market for steel in as far as supply and demand is concerned with a very close correlation. However it is projected that in 2007, the demand for steel globally will be fractionally less than the supply for the same year. The Vanderbijlpark and Long Products plants registered an increase in their operating profit of 89% and 128% respectively from the previous year (Mittal Steel, 2005). It does not seem that despite this financial success, more permanent jobs will be created, instead it could lead to shedding of jobs, but on the other hand it will definitely create short term jobs and benefit the Emfuleni economy in terms of procurement by local businesses. However, the impact of this still needs to be determined.

Construction, Electricity/Gas/Water

The GGP contribution of construction activities to Emfuleni during 1996 was 3.6%. This figure declined to 3.0% in 2003. Electricity/Gas/Water contributed 4.1 % to the GGP of Emfuleni in 2003. The average annual growth rate from 1996 to 2003 was 3.0% (constant prices).

Tertiary sector

Tertiary sector activities consist of a number of sectors such as Trade, Transport, Financing, Services (including government services) and Tourism and Entertainment. Combined, this sector registered a GGP contribution of 50.1% in 1996 to Emfuleni. By 2003, the figure was 52.5%. The Transport and Finances sectors experienced an above average annual growth between 1996 and 2003 of 8.6% and 4.4% respectively (constant prices). The average annual growth for the whole Emfuleni economy was

3.2% (constant prices). For Tourism and Entertainment only the 2003 figure was estimated. This sector presently contributes only a relatively small amount to the GGP of Emfuleni.

Below is a table with **Average annual growth (% , Constant 1995 prices) for the year**

SERVICE DELIVERY

Equitable and Effective Service Delivery

Within the milieu of both the Vision and Mission of ELM, the municipality strives to accelerate service delivery and socio-economic growth and development by, amongst others:

- Continuous improvement of quality and quantity of service delivery;
- Creating a safe and healthy environment and
- Practising Batho-Pele principles.

The municipality has initiated major drives in its endeavour to eliminate backlogs and address the question of the infrastructure investment. The first phase in addressing the infrastructure investment was to do a situational analysis and putting the corrective measures in place.

The table below illustrates basic services rendered by the municipality.

DEMOGRAPHICS		
POPULATION		658 422
NUMBER OF HOUSEHOLDS		143 214
SERVICES RENDERED		
WATER SERVICES	Number of households with water supply	
	Number of households without water supply	
	Number of households with Free Basic 6kl Water supply	
SANITATION	Number of household with flush toilets	
	Number of households with VIP toilets	
	Number of households using bucket system	
ELECTRICITY	Number of households with electricity (excluding eskom supplied consumers)	75 873
	Number of electrifiable households without electricity supply	0
	Number of households with Free Basic 50kWh Electricity supply(including eskom supplied consumers)	9 000
WASTE REMOVAL	Number of households with weekly refuse	143 214

	removal	
	Number of households without weekly refuse removal	0
	Number of business and industrial stands with weekly refuse refusal	1 453
	Number of business stands without weekly refuse removal	0

INFRASTRUCTURE CHALLENGES FACING ELM

Due to population growth, socio-economic development factors and poor state of the infrastructure ELM existing infrastructure is overburdened. In the absence of an adopted/approved Spatial Development Framework Plan, ELM is faced with continued property development that is not informed by or in co-ordination with ELM's plans and capacity. The replacement, rehabilitation and preventative maintenance of existing infrastructure has suffered due to persistent focus on the extension of infrastructure and ad hoc repairs.

In order to address this problem, during the year under consideration the municipality appointed consultants to do an infrastructure master plan feasibility study whose aim and intention is to look at the current status of the existing infrastructure, ways and means of addressing the challenges and planning forward in terms of new developments in the short, medium and long term. The study will also assist in developing the SDFP and linkages between roads and storm water, water and sanitation, electricity and GIS which will lead to Integrated development implementation strategy. Currently the status quo of the ELM infrastructure is completed and are now busy with the second phase.

The Regional Sewer Scheme is a project aimed at addressing the sewer problems that the Region (Sedibeng and its locals – Emfuleni, Midvaal and Lesedi) are facing. The project will be done over a period of five years and it is estimated that the project will cost R2b. An amount of R50m was given by DWAF to appoint service providers to do a feasibility study and to attend to interim measures needed urgently.

Another greatest challenge faced by the municipality is to convert the VIP toilets in the Evaton area into water borne sewage system. Service providers have been appointed and hope to complete the project in the next financial year.

ENVIRONMENTAL CHALLENGES

The Vaal River is the biggest commodity and asset that ELM prides itself in. It is the driving force behind tourism attraction. The life of the river is threatened by spillages therein such as sewer, oil and other foreign elements. Pollution caused by industries is of greatest concern and challenge as they contribute negatively to the quality of air and water. The resultant consequences thereof are a risk to the health of the citizens of ELM and neighbouring municipalities.

Global warming is a universal threat which is impacting negatively on the Gauteng Province as a whole. It has a negative impact on the ecology, reduction of water sources, heavy rains and floods. This needs joint efforts from Provincial and National Government.

HOUSING AND SHELTER CONDITIONS

The Municipality is growing rapidly with new developments taking place all over, especially within the Vanderbijlpark area. Notwithstanding the fact that housing backlogs are being addressed, the shortages are exacerbated by the large number of people flowing into ELM and building shacks in the periphery of the towns of Vanderbijlpark and Vereeniging. The number of people living in informal settlements has grown to 9 408.

In short, ELM has 81% formal dwellings, 16% informal dwelling and 1% considered to be rural dwellings.

HEALTH, SOCIAL AND HUMAN CONDITIONS

Unemployment and poverty

Unemployment and poverty is on the rise despite the economic growth that is experienced and unemployment and poverty is further exacerbated by the high immigration of unemployed people into Emfuleni. The youth of Emfuleni is in particular the hardest hit in terms of unemployment, despite the skills and qualifications that exist.

HIV and AIDS

The effect of HIV and AIDS must also be taken into consideration in as far as the supply of labour is concerned because the decline in the working age cohort (people between the ages 15 to 64) as a percentage of the total population could be the result of the impact of Aids on the population. Further studies of the impact of HIV and AIDS on the population growth and economic development will need to be done.

TABLE: HIGH HIV AND AIDS SCENARIO

HIGH HIV/AIDS							
Local Emfuleni	Main	2001	2006	2007	2008	2009	2010
	Boipatong	16,865	11,738	10,858	10,044	9,291	8,595
	Bophelong	37,775	55,504	59,667	64,142	68,953	74,124
	Evaton	143,153	155,260	157,025	158,810	160,616	162,442
	Sebokeng	222,073	228,838	229,071	229,304	229,538	229,772
	Sharpeville	41,020	35,502	34,313	33,164	32,054	30,981
	Tshepiso	22,953	48,211	55,684	64,315	74,284	85,798
	Vanderbijlpark	80,266	73,565	71,926	70,323	68,756	67,224
	Vereeniging	73,328	77,908	78,468	79,032	79,600	80,172
Emfuleni Total		658,533	692,512	696,053	699,612	703,189	706,784

STATEMENT ON MUNICIPAL FINANCIAL HEALTH

Overview of Finance Department

In the financial year 2007/2008 the strategic objective of the Finance Department did not change from the previous financial year. As in the previous financial year the strategic objective of the Finance Department is to ensure long terms financial sustainability through implementation of sound corporate financial management. This is achieved through;

- Management of Municipal resources and assets in an effective and efficient manner
- Collection of all revenue due to the municipality
- Preparation of credible and sustainable annual municipal budget
- Implementation and maintenance of sound internal controls system
- Provision of accurate and reliable financial information to managers and other stakeholders to facilitate informed decision making
- Ensure that goods and services are procured at competitive and cost effective manner.

Structure of Finance Cluster

As in the previous financial year, there was no change in the Finance Cluster Departments which comprised of;

- Revenue Management
- Debt Collection
- Budget Office
- Financial Control and expenditure
- Supply Chain Management Unit

Financial Viability

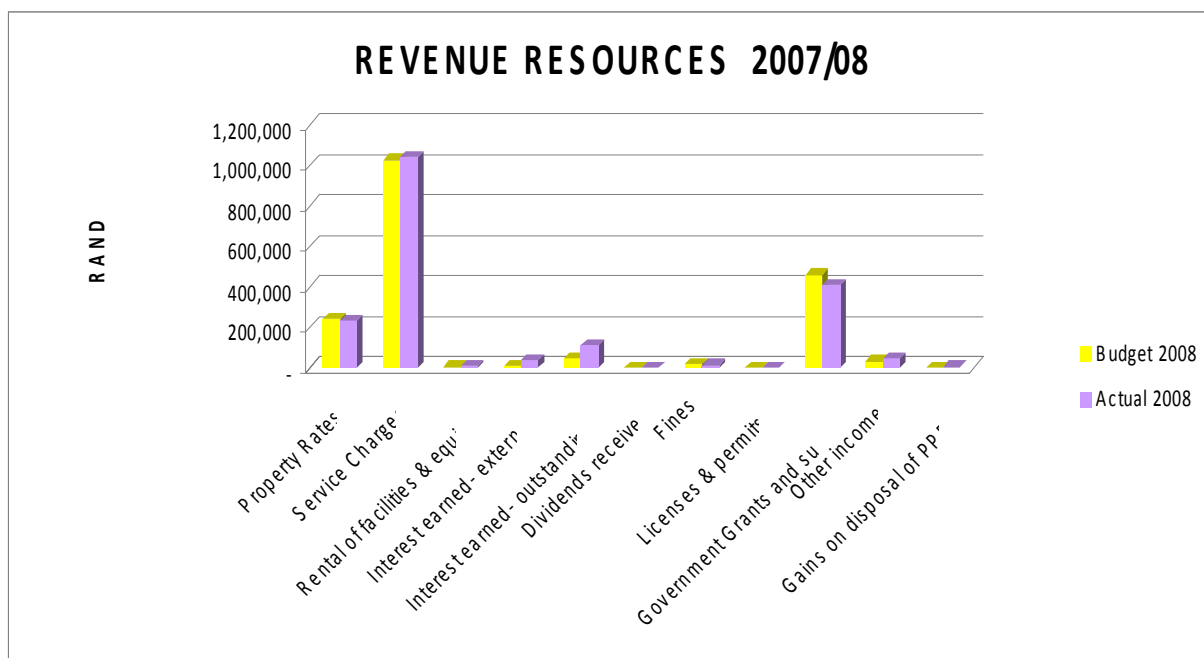
Financial viability is one of the five important Key Performance Areas in Local Government. The financial health and performance of Emfuleni Local Municipality is continuing to show significant improvement from the previous financial year:

- Revenue has increased by 10% (2007: 13%) in the 2007/2008 financial year from previous financial year.
- Operating expenditure decreased by 2% (2007: 14%) in the 2007/2008 financial year compared to the previous financial year.

- Grants and subsidies comprises only 22% (2007/16:4%) of the total income generated by Emfuleni.
- The municipality has in the current year met all under consideration operating obligation and capital repayments.

Revenue Sources

- The sources of revenue for financial year 2007/2008 versus 2006/2007 are compared on the graph below;



The municipality increased its cash and cash equivalents by 35% (2007:145%) in the financial year. All financial commitments and obligations were met and serviced with no defaults. No new borrowings were raised other than capitalized lease liabilities relating to Emfuleni fleet renewal programme.

Debt Analysis

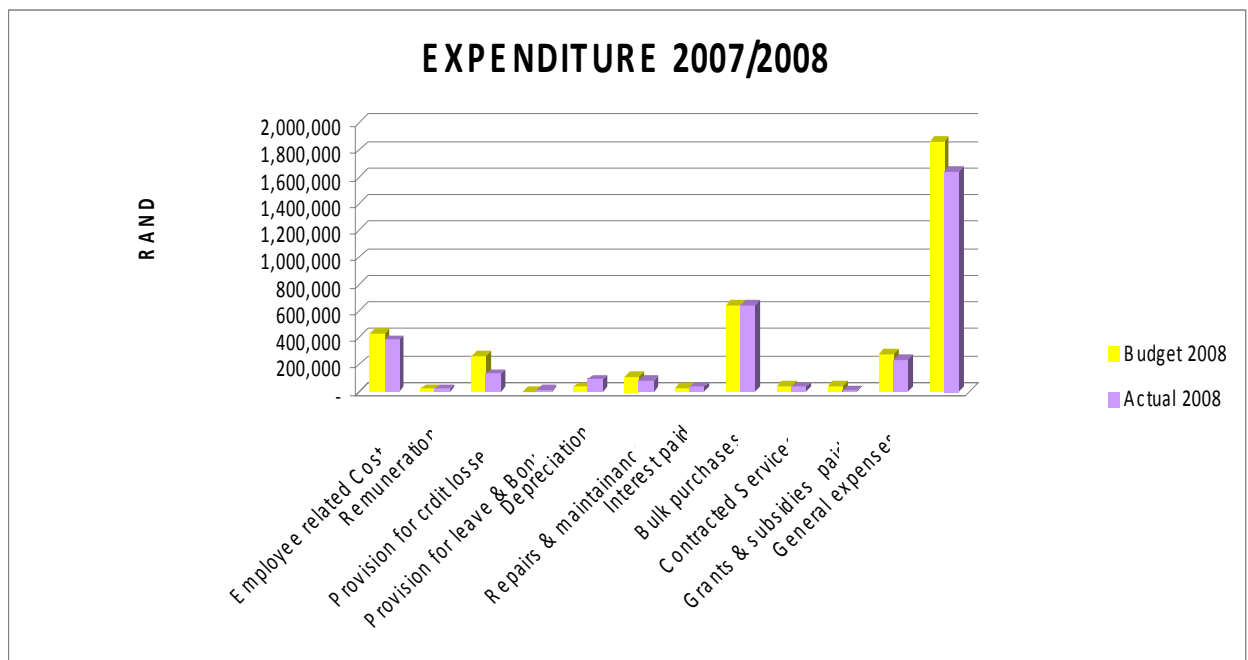
Consumer Debtors increased by 11% in financial year 2007/2008 compared to previous financial year. The collection rate was an average of 70%. This is the same as the collection percentage of 70% in 2006/2007. The impact of subsidy of indigents has not been taken into account in the 70% collection rate. An average of 90% of the debtors relates to domestic consumer debtors. Water, rates, debtors, sewer and refuse are the major contributors. The Emfuleni Local Municipality approved new debt collection and credit control policy are beginning to impact on old debt and will finalize data cleaning and

indigent verification programs in the next financial year. Once the two programs are completed, the municipality will fully enforce Council approved collection policies.

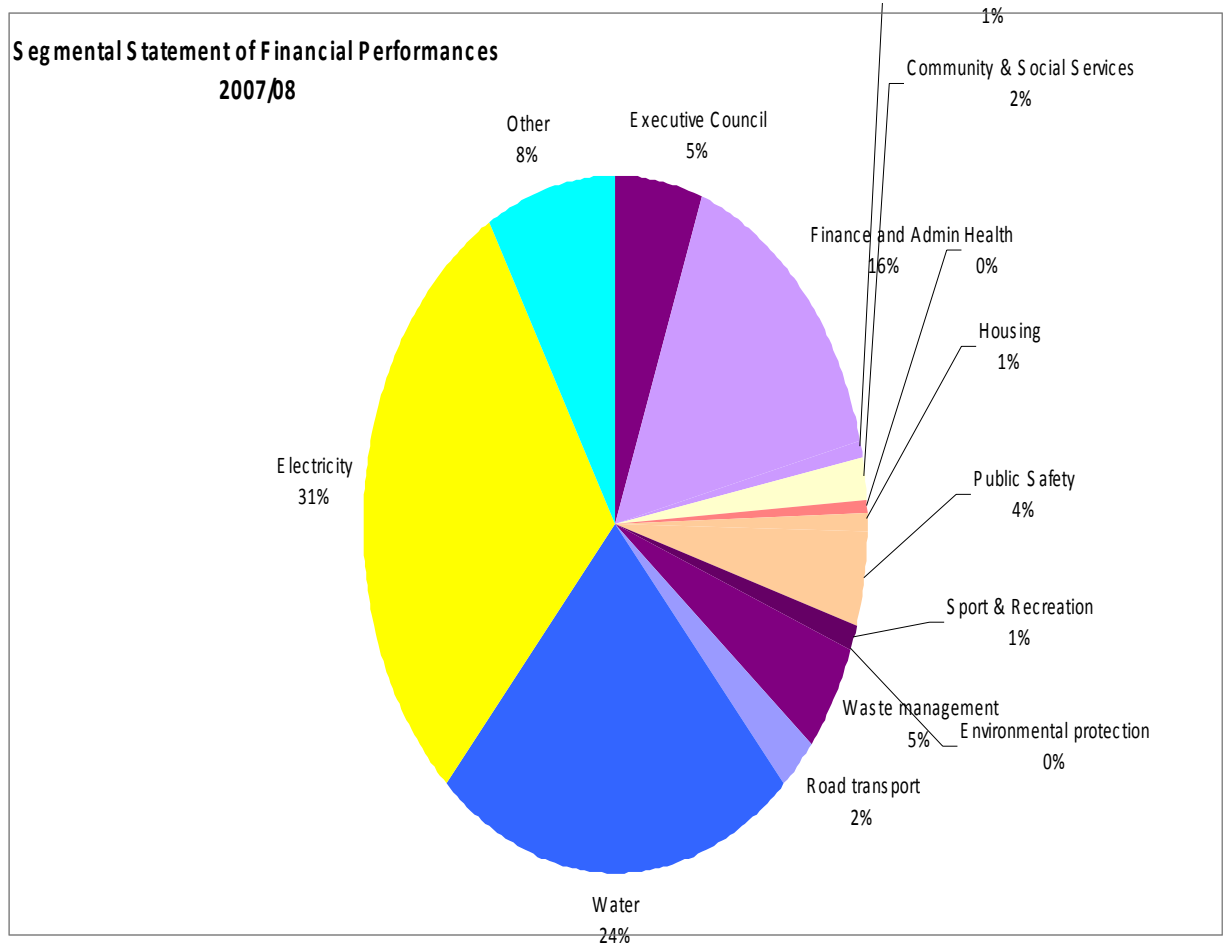
In 2007/2008 indigent physical verification was finalized, as evidenced by Indigent Register.

Expenditure Management

The graph below depicts the breakdown on general expenses. As it can be noted from the graph, bulk purchases for water and expenditure from Eskom and Rand Water comprises a major portion of the expenses followed by payroll expenses.



The graph below depicts the expenditure per service and it can be noted that 83% of the total expenses were expended on service delivery orientated department.



Performance and Achievements

As reported in the previous financial year the municipality engaged on a data cleaning exercise with the objective of improving the credibility of the billing database. A number of accounts across the categories of debtors with faults were identified and the municipality is in the process of reconciling and correcting the accounts. The data cleaning exercise had to be extended beyond December 2008.

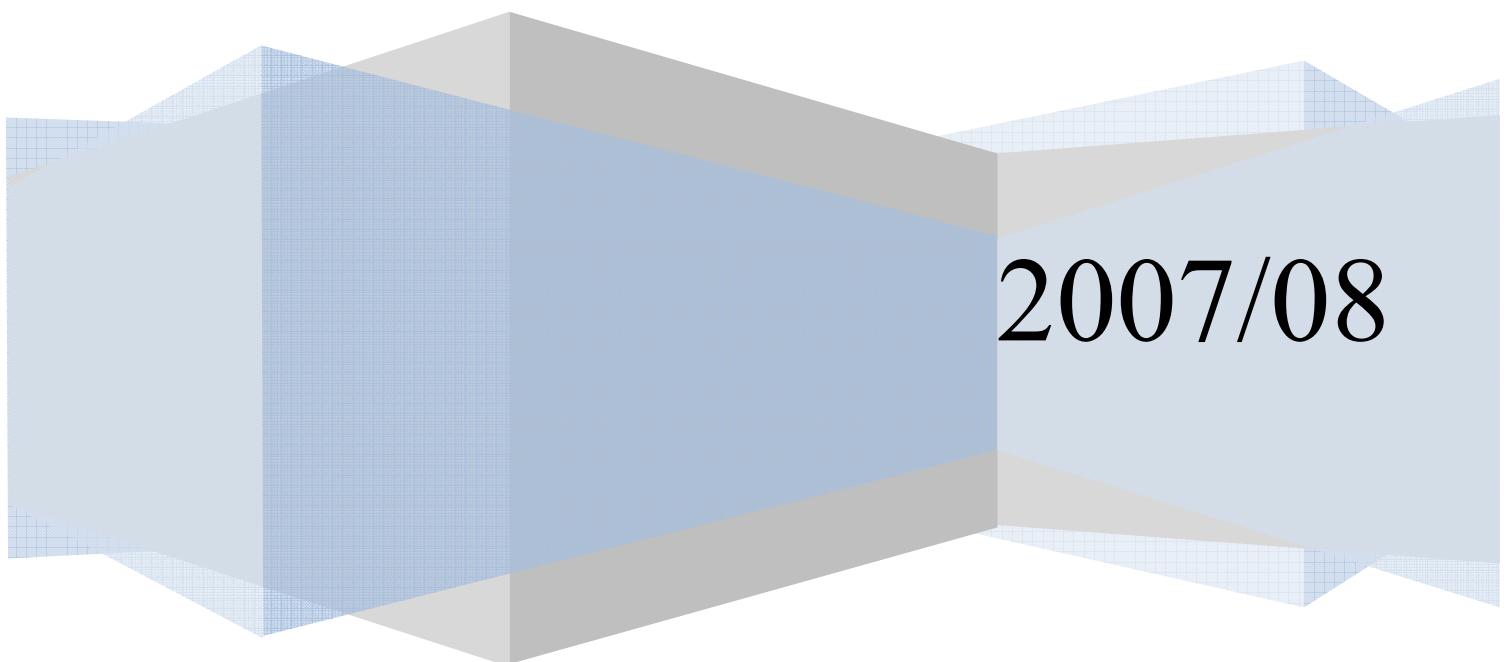
In line with the new Municipal Property Rates Act (MPRA), Act 6 of 2004, the Municipal Council approved the MPRA implementation plan and is being executed in schedule. Implementation date is 01 July 2009.

The 2007/2008 Budget of the municipality was compiled in-house instead of using the outside consultants.

MR T W MOETI
ACTING MUNICIPAL MANAGER

CHAPTER 2

DELIVERY ON MANDATE AND PERFORMANCE HIGHLIGHTS



BRIEF NARRATIVE OF ALL SERVICES, PERFORMANCE HIGHLIGHTS AND LEVEL OF SERVICES

BASIC SERVICES

ELECTRICITY

Emfuleni Local Municipality provides municipal services directly to the community of Emfuleni. The Municipality is licensed to provide electricity mainly in the Vanderbijlpark, Bophelong, Boipatong, Ironsyde, Eatonsyde, Roshnee, Rust ter Vaal and Vereeniging areas whilst Eskom has been licensed to provide electricity in the remaining areas.

Free basic electricity (FBE) was provided to approximately 9 000 consumers, on average, per month (4 500 by the municipality and 4 500 by Eskom) within the Emfuleni municipal area. Free Basic Electricity of 50kWh/month is provided to registered indigents. Eskom invoices the Municipality on a monthly basis for all Free Basic Electricity issued by them in accordance with a supply agreement.

Achievements

During 2007/08 projects to the amount of approximately R18m (for the electricity network) and R3.3m (for public lighting) were approved by the Council and executed by the Electricity Department to improve and sustain the delivery services to the community. The projects that were executed and either completed 100% or rolled over partially to the 2008/09 financial year were as follows:

- Upgrading of 11kV networks R5 500 000
- Replacement of vandalized overhead copper distribution lines (approximately 30 000m) with insulated bundle conductor (R3 500 000)
- Drafting of electricity infrastructure master plan R600 000
- Reinstatement of low voltage network in Riverbend Gardens R1 400 000
- New electricity connections and unforeseen network expansions (R2 700 000)
- Upgrading of rural 11kV network R377 000
- Repair/replacement of various 11kV cables R3 300 000
- Professional fees for project design R730 000
- Installation of high mast lighting R3 300 000

All of the above expenditure was funded by Emfuleni, inclusive of an amount of approximately R4 000 000 which was part of the Restructuring Grant.

Electricity purchases for the 2007/08 financial year amounted to R408 000 000 for 2 235 801 000kWh. This was an increase in energy purchases of approximately 0,5% on that for 2006/07. A reduction in consumption has also been experienced since the advent of load shedding by Eskom. The electricity is sold to industrial/commercial/agricultural and domestic customers. Approximately 78% of the electricity is sold to industrial and commercial customers and the remaining 22% is sold to domestic and agricultural customers and for the municipality's own use. Energy losses during this financial year amounted to approximately 10,6%.

The effective delivery of services by the Electricity Department was continuously hampered by the continuing flood of theft of electricity infrastructure. Valuable time and money has to be directed on a daily basis to rectify problems caused by this theft. Theft on live networks often leads to secondary damages of which the repair cost has to be funded from the existing maintenance budgets.

Level of Services

There is no backlog in the provision of service connections (electricity) to all proclaimed and developed areas. Applications for electricity connections are processed as they are received and the necessary connection fees paid. All electricity customers receive a full service but it is differentiated in terms of connection size in relation to connection fees paid. A large percentage of customers are metered via prepaid meters, which facilitates the management of usage by customers. The level of service (20ampere connections) funded by DME via the electrification funding is the cause of much equipment failure due to overloading, a fact which was even more experienced during the past financial year when a number of transformers failed due to continuous overloading. It is felt that DME should increase its funding per connection to allow a connection size of at least 40 ampere to prevent overloading problems.

Services backlog

Due to the lack of financial resources over the past number of years a backlog in repair and maintenance as well as refurbishment and network expansion has built up. This backlog can only be addressed by sufficient capital investment into the electricity infrastructure. It is difficult to quantify this backlog as the master plan study to determine the extent thereof has not yet been completed. Requirements for the 2008/09 financial year however indicate a requirement of approximately R60m.

Between Eskom and the Municipality there is 100% coverage of the area as far as the provision of electricity is concerned. There are however some informal settlements where no services are provided as these dwellings are placed on unproclaimed land. There is still a backlog in the provision of public lighting on some through roads and in some of the previously disadvantaged areas. The extent of this has not yet been determined as no funds were provided to draft a Public Lighting Master Plan.

Infrastructure

Although the municipality has been able to assist all developers and applicants by providing electricity, the low level of investment in the upgrading/refurbishment/expansion of the electricity infrastructure has led to a situation that new developments can no longer be accommodated without major capital injections. It is therefore absolutely essential that the municipality direct more of the surplus generated by the sale of electricity to the capital requirements of the electricity function. It is also our experience that there is a boom in the development of vacant land as well as the densification of existing developments, which is placing a huge demand on the provision of electricity and most probably other services as well. The electricity infrastructure will not be able to handle the increasing demand for electricity and the expansion, refurbishment, upgrading thereof must start without further delay. In order to accommodate new developments the developers are required to assist with the funding for network expansions. Good news is that the provision of more capital for infrastructure development/upgrading has been increased for the 2008/09 financial year.

Daily maintenance on infrastructure as well as the reinstatement of preventative maintenance was also continued.

The implementation of load shedding, upon request by Eskom, led to much interruption of scheduled work and customer dissatisfaction. The load shedding schedules were however discussed with and agreed to by the Municipality's largest consumers of electricity. The schedules were communicated to the community via the local news media and the Municipality's website. The interruption and switching back of loading however led to overloading problems and even damage to infrastructure equipment.

Challenges

In order to ensure the sustainability of the provision of electricity to all the municipality's customers it is essential that

- Sufficient capital is made available annually for network maintenance, upgrading and expansions.
- Continuation of preventative maintenance
- Finalise the master plan for the development of the electricity infrastructure
- Meet the demand for electricity by developers.
- Reduce the number of complaints regarding non functioning street- and high mast lights.
- Finalise the assessment of the electricity function in terms of section 78(3) of the Municipal Systems act.
- Embark on and finalise the financial and operational ring fencing of the electricity function.
- Continue meaningful participation in the creation of the Regional Electricity Distributors (RED4).

WATER AND SANITATION

Metsi utilises immovable and movable assets of the Emfuleni Local Municipality for the distribution of potable water, collection and conveyance of wastewater and the treatment of waste water. In addition to these functions Metsi-a-Lekoa is responsible for the maintenance of the water services system and all costs associated with all the assets including maintenance, insurance, licensing and running costs.

The water system consists of pipe networks, 10 low level reservoirs, and a small potable water treatment plant. The sanitation system consists of gravity pipelines and 48 sewage pump stations and their pumping mains. The wastewater treatment system consists of three wastewater treatment works. The largest of the wastewater treatment works being operated is the Sebokeng water treatment facility with a capacity of 116ML/day.

In addition to the above, Metsi-a-Lekoa has a Planning section and provides a proactive customer care service.

Achievements

During the 2007/8 financial year the following major projects were undertaken:

PROJECT NAME	PROJECT COST	DESCRIPTION
Quaggasfontein water and sewer	R 43,000,000	Installation of new bulk water and sanitation infra-structure. Part of R145m project
Repair, Upgrade Maintenance WCW's (Short Term) in the whole of Emfuleni Area	R 24,000,000	Repair and upgrade of Waste Water Treatment Works, Leeuwkuil and Rietspruit
Repair, Upgrade Maintenance of Sewer System P/S (Short Term) in the whole of Emfuleni Area	R 6,500,000	Rehabilitation pump stations
Bulk water to Zonderwater	R 586,400.00	Provision of bulk water to new development of 1200 stands
Water Demand	R10,500,000	Water awareness, water demand installations and water meters
TOTAL	R 84,586,400	

BACKLOGS

There are no backlogs in the supply of potable water. The only additional water connections that have been provided were to cope with growth in informal settlements. By providing water connections in new housing development don't eliminate any backlogs in the supply of potable water since the beneficiaries of these houses are relocated from informal settlements where they had access to the minimum service.

The provision of a basic level of sanitation service, i.e. VIP's, is not acceptable to the communities living in informal settlements and it is not practical and sometimes impossible to provide a higher level of sanitation service in these settlements. The sanitation backlogs in the informal settlements can therefore not be eliminated. Provision of new housing developments does, unlike in the case of water service delivery, eliminate backlogs in service delivery in sanitation. Hence 400 of the 11,500 sanitation backlog were eliminated with the Tshepiso housing development.

A major concern in service delivery is the 63 500 households living in shacks in the backyards of big stands in mainly Evaton. These households make use of unimproved pit latrines and, if allowed by the owner of the stand, obtain water from the owner's house. Since this is on private property the Emfuleni Local Municipality can not provide any kind of service, except for the main service networks available on the boundary of these stands, to these backyard shack dwellers.

STANDARD OF SERVICE

Sewage pump stations need additional funding to keep operational till the long term SEDIBENG REGIONAL SANITATION SCHEME of R1.2 billion are operational. Rietspruit and Leeuwkuil Waste Water Treatment Works has been upgraded and rehabilitated to attain compliance with the environmental and legal requirements. Upgrading of these started in 2007 and is planned for completion December 2008.

Low water pressure in the water supply system in Palm Springs has been a problem for a number of years and was partially resolved in 2006/7 by the installation of an additional

ring feed. However the problem will only be eliminated with the installation of a separate Rand Water supply dedicated for Palm Springs during the 2007/8 financial year.

Municipal Spending on Service Delivery Infrastructure

Ample funds in the form of grants (MIG, DWAF and Restructuring Grant) and new housing developments (funded by the Department of Housing) are available to spend on the provision of new infrastructure. However funds for the systematic replacement of existing water networks, water meters and other related infrastructure elements and for the systematic cleaning of the sewer networks are not being made available. Although the effect of this on the standard of service delivery is not visible at this stage, the delaying of these systematic replacement and maintenance actions could have catastrophic effects in the near future.

Only 63% of the Operations Units approved post have been filled. This results in a lack of proper management, supervision and maintenance of the water and sanitation service delivery infrastructure.

Due to "cash flow problems" the availability of funds allocated on the operational budget is a major problem in paying suppliers of material and services required for service delivery.

ROADS AND STORM-WATER

The core function of the Roads and Storm-water Department of Engineering Services Cluster of Emfuleni Local Municipality is to ensure the safety of human life and properties, as well as ensuring infrastructure for economic development through the provision of a functional roads, storm-water and road traffic sign network within Emfuleni Local Municipality.

In order to provide these services various engineering and municipal disciplines needs to be performed. The operations of this Department can be divided into two main categories namely, Construction and Planning.

Planning

Planning and administration is done by Managers and Technicians. No planning section exists in the Department and operational as well as planning issues must be addressed by the same staff.

Over and above the normal construction and budget planning the Departments has to enforce proper planning of developments and compliance to By-laws in the area. This is achieved by evaluating Town Planning applications, services agreements, site development plans, engineering drawings and building plans.

Furthermore, the Department evaluates complaints from public and politicians and subsequently uses this information to identify new projects and prioritize maintenance operations.

In the 2006/2007 financial year request for proposals were invited for preparation of engineering services master plans. The existing cadastral information from the Surveyor General's Office was not reliable and the cadastral information had to be recaptured by OSS to enable the Master Plan Status Quo to be finalized. The status quo for civil engineering services will is expected to be finalized by end 2008. Phase two is foreseen

to be completed by end Feb 2009. Phase 2 will aid in the proper planning of future developments and prioritizing of projects and maintenance, looking at the short, medium and long term scenarios in terms of bulk infrastructure requirements.

The Department is growing into a full fledged department slowly but surely splitting maintenance (operational) and planning issues.

Maintenance

The Roads and Storm-water Section has three (3) maintenance Depots where is situated in Vanderbijlpark, Vereeniging and Sebokeng.

Cumulatively they must maintain 1 364km of tarred roads, 1 031km gravel roads, 462km storm-water pipes, 194km open channels, 11 155 catch pit units, 144 041m² road markings and 4 408 road signs in order to provide a functional roads and storm-water network.

Due to backlogs and personnel constraints, maintenance teams are mainly involved with re-active maintenance with a small portion of preventative maintenance.

CAPEX

Performance Indicator		ANNUAL ACHIEVED	
		2006/2007	2007/2008
Roads and Storm-water Master Plan	Completed	R 650,000	R -
Resealing od Existing roads - Labmax Way (Multiyear R 9,000,000)*	Completed	R 6,000,000	R -
Cradock Road Section 3 Phase 2 (Tender 72/205)	Completed	R 2,418,192	R -
Bophelong Ext 11, 12 &17 Storm-water phase 1	Completed	R -	R 3,295,514
Kader Asmal Road in Bophelong	Completed	R 1,670,000	R 501,000
Amatola Road in Boipatong	Completed	R 1,120,000	R 336,000
Dr Nkomo Street, Delfos Link, Boipatong	Completed	R 538,000	R 372,000
Qamata Road, Bophelong	Completed	R 1,226,810	R 2,673,190
Labor Intensive Construction of gravel raods (Friedman/George and Hally Road – Mantervrede)	Completed	R 503,490.00	R 2,871,510
Bapedi Street	Completed	R -	R 4,873,625
Pavement Management System Tar Roads	Completed	R -	R 600,000
Bophelong Ext 17 Storm-water	Completed	R -	R 1,040,000.00
		R 14,126,492	R 16,562,839

Backlogs

National and Provincial Goals (PTP Program and Millennium Goals)

To meet the Priority Township Program deadline of 2010 to have all roads tarred, a total of 335 km needs to be constructed in the 09/10 financial year. A total of R770.5 million is required as additional capital investment.

To meet the 2012 targets to have all roads tarred in Gauteng, a total of 242 km must be tarred per annum for the 09/10, 10/11 & 11/12 financial years. A total of R556.6 million per annum is required to achieve this.

The target to reach this is getting more difficult each year as the cost for construction is increasing by between 20 – 30 % per annum.

Council tariffs is increased by VPIX or government guidelines.

This is not only experienced on the capital side, but also on the material required for roads and storm-water maintenance that is increasing also by between 20 – 30 %.

WASTE MANAGEMENT

Brief Narrative & Performance Highlights of all activities and services provided.

Waste management is categorized in the following key functions namely household, business and industrial refuse collection, removal of illegal dumps, street and CBD cleaning, , mini dump / transfer facilities and management of all landfill sites.

All refuse collection backlogs in the formal areas are now eradicated and sustainable services are now being rendered to 143 214 households (Stats SA Households 2007) on a weekly basis.

Business waste is collected on a daily basis in mainly the Vanderbijlpark and Vereeniging areas, (1 453 stands) . Street sweeping services are also being done in mainly the CBD areas of Vereeniging and Vanderbijlpark (and outer business centers), Sebokeng taxi rank and all main roads.

In terms of bulk service delivery and final disposal of waste at landfill sites, Council operates 4 mini dump/transfer stations in the Vereeniging area and operates. Three operative landfill sites are Boitshepi, Waldrift and Palm Springs.

The Department of Gauteng Housing commenced with a project to provide 240 litre bins as part of Bontle-ke- Botho Project. A total of 22 240 bins were distributed in Evaton by 30 June 2008. The process of distributing the 240 litre bin to all households within ELM will be finalised in the next financial year.

Free Basic Services are provided to registered indigents and forms part of the reduced monthly rates and tariffs.

Achievements

During 2007/08 projects, equipment and infrastructure to the amount of R12 726,500 of were budgeted of which a total of R2 442 801 was spent. The projects were executed and either completed 100% or is listed as multi year projects to the 2008/09 financial year were as follows:

- Develop new General Waste Landfill site (multi year project to 2009 / 2010)
- Close and rehabilitate Boitshepi landfill site (multi year project to 2009 / 2010)
- Close and rehabilitate Zuurfontein Landfill site - 100% completed and R.O.D. (Record of Decision) and Permit was issued. This project was completed during 2007 / 2008 financial year and the final completion certificate was signed on 08 July 2008.
- Palm Springs Landfill – Permit application submitted and pending (design and construct a class B- small landfill site).
- Waldrift Phase 3B constructed in terms of D.W.A.F. minimum requirements. The application for permit process commenced in the 2007 / 2008 financial year (multi year project to 2009 / 2010).
- Removed a total of 17 176 cubic metres (representing a total of 984 illegal dumps) of waste that was lying in the previous disadvantaged areas in a special clean up campaign that was conducted during the third and fourth quarters of the financial year.
- With funding obtained by D.E.A.T a buy back centre was established at Bophelong (R1,200,00).
- A total of 224 Labour Intensive Persons were appointed on a 5 day per week basis that assisted with keeping township centres, streets, refuse collection services and Landfill areas clean. The total budget spent on these projects was R4 310 040 planned of which a total of R3 439 518 was spent.
- The Masterplan for Waste and cemeteries Status Quo and identification of short term issues was completed in the 2007 / 2008 financial year. The final Masterplan report to indicate the layers of short, medium and longterm requirements will be completed in the 2008/2009 financial year.
- The Department of Agriculture, Conservation and Environment (G.D.A.C.E.) awarded total of R190,000 of price funds (Bontle Ke Botho projects) and a 3 ton flatbed was purchased to assist re-claimers in transporting collected waste to the relevant buy back centres.
- A total of 28 vehicles comprising of refuse compactors, tipper trucks, front end loaders and Idv's were replaced during the 2007 /2008 financial year.
- For the first time in this council's history, a five year and one year Business plan were compiled as a Strategic Development Budget Implementation Plan (SDBIP) and approved and implemented during the 2007 / 2008 financial year.
- A pre-feasibility study to determine the impact and possible projects of Landfill Gas was done on 3 Landfill sites (Zuurfontein, Waldrift and Boitshepi). The letter of intent was signed giving the Central Energy Fund the right to commence with the feasibility study. The signing of the Memorandum of Agreement and subsequent investigations will commence in the 2008 / 2009 financial year.

WASTE AND LANDFILL MANAGEMENT

Level and standard of services including backlogs and challenges of Services

- All formal housing areas are currently being provided with a sustainable weekly household collection service, providing services to 143 214 households.
- The only backlog in the provision of sustainable household collection services is to the informal housing areas of council. The backlogs to informal households are

30 777 (Stats SA Households 2007) and nothing was addressed in the financial year due to bad or no roads available to service communities on a sustainable weekly basis.

- Removal of illegal dumps is now being done on a continuous roster to include all wards and an average turn around time of 4 to 5 weeks per week.
- Due to the impact of replacing vehicles program the backlogs to service delivery to especially household collection decreased from 65 % backlogs registered per week to 45% registered at 30 June 2008.

Infrastructure

None of the operational Landfill sites are permitted for operations and final closure processes. Approved MIG funding provided for the procedures to be put in place are being executed on all landfill sites in multi years projects explained above. The total of business plans submitted and are pending, will also focus on upgrades and new establishments in terms of mini dump / transfer stations and landfill sites for the following 3 years.

Challenges

In order to ensure the sustainability of the provision of waste and landfill to all the municipality's residents it essential that

- Sufficient capital is made available for infrastructure upgrading and new expansions.
- Implement the Landfill gas to energy project.
- Establish a composting facility to reduce the garden waste stream.
- Finalize the master plan for the development of the Waste and Cemeteries infrastructure
- Meet the demand for waste services by developers.

FLEET MANAGEMENT

The Fleet Management Section is responsible for the day to day fleet activities which include renewal of fleet; licensing of fleet; traffic offences; fleet asset register; accidents repairs; sale of redundant fleet; maintenance of fleet; etc.

The section comprises of two divisions namely Fleet Management and Mechanical Workshops. The report submitted will be in two sections as set out below.

FLEET

The renewal program of the fleet that started in the 2005/ 2006 financial year continued in this financial year. All the vehicles and equipment procured in the 2007/2008 financial year were delivered except one Fire Engine for Fire and Rescue and some of the vehicles under tender 33/2007 and tender 1/2008 are still outstanding but should be delivered by the second quarter of 2008 - 2009 .In total ELM received 323 new vehicles and equipment for the various departments. The total costs amounts to R 36 000 000.00 per annum at this stage. Of these vehicles received 129 were additional vehicles and the rest were replacement of old vehicles and equipment. This renewal resulted in higher vehicle availability for the service delivery departments in order for them to perform better. It is estimated that the availability of vehicles and equipment increased from 45% to 80%. The actual availability is being monitored by the electronic systems that were installed in the

first two quarters of 2007 -2008. Monthly reports on this are distributed to managers as well as the utilisation of each vehicle in each Department.

It is planned that these figures will be used to identify vehicles and equipment that is not fully utilised and the establishment of a central pool system for vehicles and equipment will be investigated to help with the reducing of the number of vehicles and equipment.

The following Departments received the new vehicles and equipment:

DEPARTMENT	NUMBER OF VEHICLES AND EQUIPMENT RECEIVED
Building	10
Corporate Services	05
Development Planning	09
Electrical	20
Finance	04
Fire and Rescue	23
Fleet Services	04
Health	14
Housing	01
Human Resources	03
Mayor's Office	03
Mechanical	04
Metsi-A-Lekoa	55
Municipal Court	04
Parks	23
Roads	32
Service Delivery	01
Speakers Office	02
Sport	09
Storm-water	13
Traffic	42
Waste and Management	42

During the new coming financial year it is planned to renew another 120 to 150 vehicles and equipment depending on the availability of funds. The tender will be advertised in September 2008 and will include additional vehicles and equipment required for the different service delivery units.

The renewal program started in May 2006 and most of the vehicles were received on a full maintenance agreement which means that the vehicles received in 2006 will again be replaced in 2011 to ensure that the vehicle age are kept within GAMAP standards and allow ELM to have a high percentage of availability for their fleet.

The appointment of a contactor/service provider for the electronic fleet systems was also done in February 2007. The systems installed comprises of a Mechanical Workshop Management System (Freeway); a On-board Computer system (CI 300) for all the vehicles and equipment to monitor the usage of the fleet as well as a Fuel Control system (AFS) to monitor fuel usage and browser control. Installations on the vehicles and equipment started in May 2007 and are completed, with all new vehicles being installed on arrival. The Mechanical Workshop Management System was installed and is operational, giving valuable information in terms of license renewal, COF and Service

scheduling for ELM vehicles and equipment. The Fuel Control System at the three browser points were also installed and is fully operational, giving absolute control on fuel usage, re-ordering of fuel as well as indications where pilferage of fuel may be a problem so that it can be investigated .

The contractor appointed will also implement and maintain a Risk Control Room on a three year contract basis for ELM and this function started on the 1st of June 2007. The main task of the Risk Control Room will be the monitoring of the vehicles and equipment as well as the generation of reports in terms of fuel usage; vehicles usage and abuse/misuse as well as reports from the Freeway Mechanical Workshop Management program to improve the service delivery from the Mechanical Workshop.

During the year various attempts were made to get the organisational structure for this section approved with no avail. The section can not function properly without the support it needs from personnel appointed in the various positions required on the proposed organogram. During this year we had to make use of existing Mechanical Workshop Personnel to support the Fleet Management function which ultimately reduces the output of the Mechanical Workshops. We trust that in the new financial year we will be able to get the structure approved and filled with the required personnel to ensure a proper service to our stakeholders. (SDU's)

MECHANICAL WORKSHOPS

The Mechanical Workshops is situated in Vanderbijlpark and Duncanville, Vereeniging. Both workshops main function is to maintain the ELM vehicle and equipment fleet. With more control over the personnel the turn-around time for services and repairs increased to 75%. The goal for the year was set at 80% .However it is surely to be reached during the next financial year.

The upgrading of the Mechanical Workshop in Duncanville is in the progress and depending on the roll-over budget, will be completed in the new financial year. The upgraded workshop will also contribute to increase productivity and turn-around time.

The upgrading of the Mechanical Workshop in Duncanville came to a halt as the funds for that were not rolled over for the 2008-2009 financial year. We are in the process to rectify this problem and will start the program during the first week in September 2008 to complete the upgrading. This will have an enormous moral boost to our employees and this will also help us to enhance our chances to get the Mechanical Workshop accredited to SABS 9001 standards.

The electronic management system is now fully operational and enables ELM to start scheduling vehicles and equipment for services which in turn will decrease breakdowns in the future.

During the 2006 2007 financial year a total of 5280 work requests were put through the two workshops, an average of 24 per working day. With the electronic system in place, we will be able to give reports to the different departments on the status of their vehicle and equipment fleet. The total amount spend on repairs amounts to R 14 000 000.00 for the 2007 2008 financial year. This amount was reduced for the next financial year in anticipation for the scheduling of vehicles and the fact that a great portion of the fleet was replaced with full maintenance lease vehicles.

The Mechanical Workshop also embarked on a diversity management program with all its personnel. During May 2007 all personnel from the Mechanical Workshops attended a diversity management workshop that was facilitated by Resolve Management

Consultants. During the two day workshop and one day follow-up workshop, we all learned a lot from each others cultures and differences. During the last day of the workshop, a comprehensive list of activities was compiled for us to embark on in order for us to better our work relationship with each other.

We already embarked on two missions and visited the places of interest in Pretoria on the 3rd of August 2007, and the Apartheids Museum in April 2008. Both tours were immense successes and we resolved that we will do similar tours and activities at least once per quarter. We also selected a small sub-committee to manage the diversity issue and they are in the process of planning the next financial year's activities.

CHALLENGES

- Upgrading of the Mechanical Workshop Duncanville;
- Training of the appointed staff in the new Fleet Management section;
- Continuation of our diversity program to enhance employee relationships.;
- Establishment of a Central Pool unit in order to increase the utilisation of ELM vehicles and equipment;
- Training of existing personnel to ensure skills development;
- Phase III of the renewal of vehicles and equipment;
- Establishment of a Fleet Steering Committee to ensure that the Fleet Services Unit gives good service to all Service Delivery Units;
- Compliance to all aspects of the SDBIP, MFMA, Procurement Policies and Procedures and Fleet Management Policies and Procedures.

PUBLIC SAFETY AND COMMUNITY DEVELOPMENT

SPORTS, RECREATION, ARTS AND CULTURE (SRAC)

This department has four (4) divisions e.g. Parks and Open Spaces, Library Information Services, Sports and Recreation and Arts and Culture. In the year under review, the following activities were taken up:

PARKS AND OPEN SPACES

Achievements

Major Events

An average of 5 trees per institution was donated to 121 schools and 9 churches in the jurisdiction of Emfuleni Local Municipality. In total 650 trees. The Parks division gave training on how to plant the trees and taking care of them. All the trees were planted on the premises of the institutions identified above.

On Tuesday 6 June 2007 an Environmental day was held at the Tsoaranong Primary school in Tshepiso. All children participated in different plays and coloring competitions involved in environment. Eskom donated T-shirts and other items that were used for the

prices for the best performers and artist with the coloring competitions. Sedibeng District sponsored the catering for the event.

On Thursday 7 September 2006 Arbor Day was held at Poelono Secondary school in Evaton West. All children participated in different plays and coloring competitions involved for Arbor Day. Eindhoven Nederland sponsored the entire program.

This division has also being able to provide maintenance and cut 271 ha of grass on developed parks and large traffic islands. An additional 1 070 ha of grass on undeveloped parks, small islands and office gardens were also cut.

LIBRARIES

In terms of the Constitution of the RSA, Schedule 5, Part A, Libraries, other than National Libraries, are an Exclusive Legislative Provincial Competence, which makes it an unfunded mandate. However, ELM is currently managing twelve (12) Community Libraries.

The assignment process is currently getting urgent attention and Service Level Agreements will be signed shortly in order to formalize the roles and responsibilities.

Achievements

General

Continuous growth in membership clearly indicates the necessity for Library and Information Services. (Registered members: 93 752).

The books that have been ordered have been delivered and must now be made shelf ready for users to use. (Current stock: 525 304).

A pilot project to use SABINET for copy cataloguing purposes was funded by Gauteng Province. 3 Members of staff has been trained and are currently busy with the copy cataloguing of library material. It is however difficult, because these personnel are also responsible for counter duties.

After submission of Business Plans for ICT and Reading Programmes for 2006/2007 and 2007/2008 funds have been transferred to the amount of R165 800 for ICT and R80 000 for Reading Programmes for 2006/2007 and R737 500 for ICT and R 80 000 for Reading Programmes for 2007/2008.

Funds for information resources from Province after submission of Business Plans to the amount of R386 000 for books and R87 000 for subscription to periodicals and newspapers for 2007/2008 has been received.

After Business Plans have been submitted R1 820 000 was allocated to Emfuleni LIS by the Department Arts and Culture for appointment of staff and purchasing of new library material.

Other

Collection development (1% Increase in new library material):

- Address user needs

- Bridge collection gaps
- Processing of Library Material

Render an effective and accessible Library & Information Services:

(Daily users increase with 5%)

- Daily opening and administration of libraries
- Provision of study space
- Circulation of information resources
- Provision of reference material
- Provision of Outreach Services

Promote culture of reading and life-long learning:

(Registered members increased with 3%)

- Conduct reading awareness campaigns

Provide Information Communication Technology (ICT):

(11 Libraries that provide ICT)

- Bridge digital divide
- Basic computer and life skills

Conduct Library Programs:

(1% Increase in children reached with Library Programs)

- Celebrate significant national days (e.g. Human Rights Day)
- Celebrate library related National and International days
- Conduct Holiday programs targeting children and youth

Create conducive and safe environment in Libraries:

(0% Increase in well maintained libraries)

- Identified and cost repair problems in Libraries
- Facilitated interdepartmental and external problems in Libraries
- Monitored the quality of repairs
- Ensured that Libraries were clean

Contributed to poverty alleviation by utilizing library facilities:

- Programs like 3 vegetable gardens (Bophelong, Rust-ter-Vaal and Sebokeng).

Established marketing and publicity material programs (80% Increase in use of Marketing and Publicity material developed in Emfuleni LIS)

Developed marketing and publicity items to be used at programs

Continuing Education Programs and Development (CEPD)

(± 25 Staff members attended computer training)

- In-Service training programs

SPORT AND RECREATION

Achievements

This division is responsible for management and maintenance of 41 Sport & Recreation Facilities, consisting out of:

6 Swimming pool
3 Community Halls
4 Recreational Facilities
4 Major Multi-purpose Centres
24 Sport Facilities.

Maintenance consisted out of

Cutting of grass
Marking of lines on fields
Upkeep of buildings including water and electricity supply
Cleaning
Inspections and repairs to perimeter fencing.
Grading of 5 informal soccer fields.

Upgrading of the following facilities

Boipatong, George Thabe, Hostel and Evaton Stadiums were top dressed.
George Thabe Phase 1 completed to the amount of R22 000 000.
Filtration System and pipes at SE2 Pool was upgraded.
Mpho Sipiwe and Bophelong Community Halls were painted.

Marketing, Programs and Development

Woman Sport Festival

The Festival was staged on 19 August 2006 at Evaton. Target group were women from all over Emfuleni Area. Two thousand people took part in activities like Fun Walk, Aerobics, Netball, Basketball and Tennis.

South African Ladies Boxing Tournament

The Tournament was staged on 26 and 27 August 2006 at Saul Tsotetsi Sports Complex. Six Provinces took part namely Limpopo, Gauteng, Kwa-Zulu Natal, Eastern Cape, Mpumalanga and Northern Cape. The number of participants was 120.

Heritage Festival

This festival was hosted on 16 September 2006 at Saul Tsotetsi Sports Complex. Different Cultural activities took place, characterized by poetry, dance and music. Two hundred people took part in the festival.

Dibeke Championship

The championships took place on 2 and 3 December 2006 at Zone 14, Sebokeng. Seven teams took part in the event and were represented by Kwa-Zulu Natal, Gauteng, North West, Northern Cape and Eastern Cape.

Oliver Tambo (OR) Games

The games were hosted by SALGA- Gauteng. The Municipality enlisted 14 sporting codes with 120 participants. The overall performance saw the municipality obtaining position 4 in Gauteng Municipality. The participants were council employees and the department of sports organized and provided support.

Mayoral Games:

The games were staged on 15 to 31 December 2006 at Evaton Soccer Grounds. Hundred and thirty six soccer teams coming from all over Emfuleni Area took part in this soccer development programme.

Basketball Memorial Games

Were staged in April 2007 at the Zone 7 Stadium. 15 Teams coming from Tshwane, Soweto, Mangaung, Mafikeng and Emfuleni took part. Target group was the youth.

Ballroom Championship

The Municipality hosted the Inaugural National Ballroom Dance Championship and was staged on 6 May 2007 at Saul Tsoetsi Sports Complex. Target group was the youth. 150 Participants coming from Emfuleni, Soweto, Tshwane, North West and Kwa-Zulu Natal took part. These championship categorized professional dances as well.

Soccer Legend Awards

The Municipality identified the need to recognize the contribution played by soccer legends in the area and took an initiative to honor them. These awards were staged on 27 May 2007 at Vereeniging Civic Theatre. Fifty soccer legends from Emfuleni were honored for their contribution in soccer development.

ARTS AND CULTURE

In partnership with the Gauteng Provincial Government

Puisano Jazz is a continuous jazz programme co-ordinate by the Provincial Department of SRAC. It is aimed at reviving the spirit of jazz in the communities and developing jazz music in taverns as a form of culture. The programme is run in partnership with the Municipalities. In Emfuleni the programme was hosted by Barcelona Club and Strike's Tavern in Sebokeng, Zone 10 and Boipatong respectively.

Cultural Umbimbi is a cultural programme through which different cultural groups are afforded an opportunity to exhibit their cultural dances and other forms of expression such as poetry and music. It is also aimed at developing and restoring heritage in our communities. In Emfuleni the programme was held on the 18 March 2007 at the Sebokeng Hostel wherein different groups from Emfuleni under the umbrella of the Emfuleni Performing Arts Forum participated.

Emfuleni Performing Arts Forum – In its endeavour to invite and develop all forms of art in the area, the department of SRAC together with the creative workers in Emfuleni established the Emfuleni Performing Arts Forum. The Forum's aims are to assist the Municipality to identify and develop talent in the communities and to further be a link between the Municipality and the creative workers in our area. Through the assistance of the Forum we have managed to source participants, performers and exhibitors for our different activities.

Boipatong Jazz Festival - From the 15 – 17 September 2006 together with the Lesedi fm and 17 + 1 we hoisted a three (3) day festival at the Boipatong Stadium. The purpose of the festival was to celebrate the Heritage Month and benefit the victims of the Boipatong massacre. Developing performing groups, exhibitionists and crafters and individuals were given an opportunity to show case their talents. For three days there was an exchange of cultural activities and the area was alive.

The event was a success in that it re-enforced the importance of the preservation of our culture and many developmental groups and poets/performers participated.

PUBLIC SAFETY

Public Safety is a social services function with the mandate to promote a safe and healthy environment to the community. The Department's core function in terms of its mandate is to render Fire & Rescue Services, Municipal Court Services and Traffic & Security Services.

Achievements

The Department Public Safety plays a pivotal role in the prevention of crime and has aligned itself in terms of the National Crime Prevention Strategy, the Provincial Crime Prevention Strategy and the District CPS

The Department fits within the four pillars framework of the strategy as follows:

- It has increased the efficiency and effectiveness of the criminal justice system as a deterrent to crime by the establishment of the Division Municipal Courts.
- It focuses on architectural design and town planning matters to limit the opportunity for crime.
- It has implemented programs which involves public education and information and facilitates citizen participation in crime prevention.
- The respective Divisions of the Department participates in numerous provincial and national programs and liaise and co-operate with fellow role players such as Fire Prevention Associations, the Department of Justice, the National Prosecuting Authority, the South African Police Services, the Department of Transport and Gautrans.

It needs to be mentioned that the efficiency of the Department is still be hampered by constraints such as staff vacancies, the lack of equipment and the lack of operational as well as capital funding.

The filling of critical vacancies cannot be done due to the financial constraints experienced by Council. A limited capital budget has prevented the implementation of some crucial projects and the procurement of much needed equipment. The

maintenance of buildings and equipment was scaled down due to the lack of operational funding.

FIRE AND RESCUE SERVICES

The core function of the Division Fire and Rescue Services is to render fire fighting, rescue and fire safety services to ensure the safety of property and human life. The Division is also responsible for Disaster Management as well as the Fire Prevention Association which relates to feld and bush fires on the farms and holdings.

Emfuleni is also quite vulnerable concerning the amount of hazardous materials manufactured and/or transported in or through its area of jurisdiction. Many factories and industries manufacture and/or utilize such hazardous materials in their normal conduct of business. These materials cause a high safety and health risk to the community, the environment and the infrastructure of Emfuleni.

It is imperative that the Division is alert to all potential risks in its area of jurisdiction. The Division must also be able to perform its duties efficiently in order to ensure a safe and healthy environment.

Achievements

During 2007/08, the Division Fire and Rescue Services has achieved the following:

- Ten Fire and Rescue vehicles were delivered. The new vehicles are equipped with the necessary equipment required to render an efficient service during emergencies.
- A business plan for the establishment of a new Fire Station in Sebokeng / Evaton was approved during February 2008. The land had to be expropriated due to the owner's demand for more money than what the land was evaluated for.
- During the year the Division has attended to 3062 incidents which includes different categories of fire fighting, rescues of various nature and special services

The following services were rendered in the respective command areas of Vereeniging, Vanderbijlpark and Sebokeng Fire Stations:

Incidents attended to in 07/08				
Type of incident	Vereeniging	Vanderbijlpark	Sebokeng	Total
Aircraft	0	0	0	0
Formal	47	65	66	178
Grass Fires	52	58	14	124
Rubbish Fires	105	150	49	304
Hazmat	13	7	5	25
Heavy Motor Fires	4	1	1	6
Informal	26	50	79	155
Motor Fires	23	25	17	65
Restaurants &	3	4	5	12

Ca				
Special Services	47	43	13	103
Structural Fire	71	68	59	198
Train Fire	0	0	0	0
Rescues				
M.V.A.	583	555	404	1542
Trapped	9	1	1	11
Tree Removals	13	37	3	53
Water Rescues	6	6	2	14
P/Accident	78	85	109	272
TOTAL	1080	1155	827	3062

- Fire safety inspections form an integral part of the Division's functions and are performed as preventative measures in order to maintain low fire risks.

The following inspections and investigations were conducted to ensure compliance with the Fire Brigade Act and the South African National Standards Codes:

Fire Safety	
<i>Analysis of fire safety inspections 1st July 2007 – 30 June 2008</i>	
Filling stations	95
Underground flammable liquid installations & Registrations	137
LP Gas installations	40
Commercial – Fire equipment and housekeeping	920
Municipal buildings: Fire equipment and Housekeeping	16
Inspection Reports	328
Industries: Fire equipment and housekeeping	72
Places of Public Assembly	24
Flats and Residential	20
Education & Institutions	11
Fixed installations	9
Trade Licenses	15
Government Buildings	2
Hospitals/Clinics	4
Spray Booths	4
Fireworks	32
Transport permits for flammable liquids	282
Total	2011

- Fire and Rescue Services are specialized functions which require the staff to be trained accordingly. 7 staff members received Hazmat Technician training, 47 staff members received training on the Warrior Fire Fighting Vehicles and 2 staff members completed the Graduate Diploma in Fire Engineering.

724 members of the community were trained in basic Fire Fighting. The purpose of the training is to capacitate the community to have the knowledge on how to respond and extinguish a fire without delay. First aid training was also provided to 1032 community members.

- The Public Information Education Relations (PIER) program was initiated by the Department of Local Government. The purpose of the program is to inform and educate the community in safety aspects such as preventing accidental fires and improving life safety conditions. The program also informs owners/occupants of buildings how to improve existing unsafe conditions. Pamphlets containing PIER information were distributed. The Vaal Show and the “Tekkie Fees” were visited during the year where PIER information was distributed. The Division has visited 59 schools and interacted with 22 572 children during the PIER programs.

MUNICIPAL COURTS

The core function of the Division Municipal Courts is to ensure the efficient delivery of administration support to ensure the efficient operation of the judicial branch to assist with the adjudication of cases of the National Road Traffic Act and all Municipal By-laws.

The processing of all notices issued by all Law Enforcement Officers, record keeping of such notices and tracing of outstanding fines and warrants of arrest are some of the main functions of the Division.

The establishment of the second Municipal Court in Vereeniging was jeopardized by a moratorium placed on the establishment of Municipal Courts by the Department of Justice. As soon as this is finalized, the application will proceed.

The Department of Justice is currently busy with the demarcation of Magisterial Districts and therefore the Sebokeng/Evaton area will no longer be part of the Vanderbijlpark Municipal Courts. Provision was made on the Multi-Year Budget for the establishment of the Sebokeng/Evaton Municipal Court to increase the efficiency and effectiveness of the Criminal Justice System in that area.

Achievements

During 2007/08 financial year the Municipal Court had the following progress:

- The following renovations were finalized:
 - Various renovations on the 1st Floor of the Rudi Kloppe Building e.g. kitchen facility, office space, etc. to provide a better work environment
 - Upgrading of the archive facility, for the safe keeping of documentation according to legislative requirements
 - Upgrading of the wire fence to palisade fencing to meet with SAPS requirements
- A Call Centre was established during November 2007 to assist public with all enquiries regarding unsettled fines and warrants of arrest. 2226 calls were received and finalized.
- The E-Natis facility, to assist with the tracing of offenders, was procured and implemented at the Vereeniging and Vanderbijlpark offices.

- A Diginet line was installed between the offices of the Vanderbijlpark Municipal Courts and the Vereeniging Offices. The Diginet line secures network stability and connection from the file server to the abovementioned offices.
- Scheduled roadblocks are conducted to trace offenders with unsettled warrants of arrest. The Division Municipal Courts was assisted by the Division Traffic & Security at 104 roadblocks. A total of 7850 warrants were finalized during the year.
- In order to expedite the adjudication of cases, the efficient processing of documentation needs to be done. The following documentation was processed by the Process Section and Back Office:

- Section 56 Notices Captured	47 262
- Section 341 Notices Captured	48 560
- Section 54's generated	92 717
- Summonses served	50 873
- Representations finalized	33 337
- Court Rolls prepared Vanderbijlpark	220
- Court Rolls prepared Vereeniging	158
- Revenue to the amount of R15 084 352 was collected by the Division Municipal Courts during the 2007/08 financial year.

TRAFFIC AND SECURITY

The core function of the Division Traffic & Security is to improve road safety and to prevent crime and losses on Council property in order to ensure the safety of human life and property. The Division participates in the respective national and provincial road safety and crime prevention campaigns and co-ordinate actions with other law enforcement agencies such as the South African Police Services, Gauteng Provincial Traffic Services and other role players such as the Department of Transport.

Achievements

- Training and education forms an integral part of the Division's functions in order to capacitate staff and to educate the community in road safety. 4 Traffic Wardens were enrolled at the Johannesburg Metro Police Department in Johannesburg to be trained and qualified as Traffic Officers.
- Co-ordinated law enforcement and crime prevention operations were conducted during the year. A total of 346 joint roadblocks in conjunction with the SAPS, Gautrans Provincial Traffic Services and the Division Municipal Courts were conducted with the main focus on road worthiness of vehicles and the prevention of crime.
- In order to prevent theft and losses of Council property, 120 alarms, 4 electric fences and 7 palisades were erected in and around Council buildings.
- The following law enforcement operations were executed:
17 004 notices issued for parking meter offences
79 636 notices issued for general offences
12 644 notices issued for speeding offences

175 227 notices issued for camera offences

- The Division has collected the following income during the 2007/2008 financial year :

INCOME:	PERIOD 2007/08
DESCRIPTION	
Provide of Information	R39 238
Escort Services	R23 750
Parking Meter funds	R127 012
Pounding of Vehicles	R3 889
Parking areas	R1 340
TOTAL	R195 229

- The following capital items were procured:
 - Office equipment
 - Two way radios
 - Fire arms
 - Projector
 - Power Plant
 - Furniture
 - Air Conditioners
- The following supervisory personnel were appointed
 - Seven (7) Superintendents
 - Seven (7) Assistant Superintendents.
- The Security Division has investigated the following cases of theft and other losses:

CASES INVESTIGATED / HANDLED	PERIOD 2007/08
DESCRIPTION	
House breaking & theft	05
Theft Common / fraud	17
Damage Council property / MV	12
Theft (cable, batteries, laptop)	21
Hijacking	02
Accidents	128
Incidents	01
Attempted Murder	01
Misuse of Security/Alarm code	01
Misused Council vehicle / Property	10
TOTAL	198

ENVIRONMENTAL MANAGEMENT, HEALTH AND SOCIAL DEVELOPMENT

PRIMARY HEALTH CARE

This function rendered a comprehensive Primary Health Care Service ensuring that the community living within the boundaries of Emfuleni had access to personal health services through promotive, preventative & curative services and rehabilitation.

The above are services were rendered to the community in all wards through the following programs:

- Maternal and Child Health Services
- Control of Communicable Diseases
- Control of Non-Communicable Diseases
- Health Promotion
- HIV/AIDS Programme
- Referral to Specialised Services
- Drug Management
- Community Involvement
- Quality Assurance: Training and Development of Personnel

The following is a broader picture of the Primary Health Care Services rendered in terms of the National Health Act, 2003 (Act 61 of 2003) and the norms, standards, national guidelines and protocols:

Maternal and Child Health Services

Ante-natal and post natal services, cancer screening, Prevention of Mother to Child Transmission (PMTCT) program and referral to secondary care were offered to patients in need of the service.

Immunisation of babies to prevent childhood diseases was done through either clinic visits or mass campaigns. During clinic visits the growth of children were monitored and corrective actions taken when needed.

Control of Communicable Diseases

This was achieved by early detection and health education. Treatment was administered to ill patients according to the national guidelines and treatment protocols.

Control of Non-Communicable Diseases

This was achieved by early detection and treatment of asthma, hypertension, diabetes and epilepsy.

Health Promotion

This was achieved by health education to individuals, groups and communities. This included mass health awareness campaigns in line with the national health calendar.

HIV/AIDS Program

This program included Voluntary Counseling and Testing (VCT), Prevention of Mother to Child Transmission of HIV (PMTCT), Integrated Management of Childhood Illnesses (IMCI) and treatment for opportunistic infections.

Referral to Specialised Services

Patients in need of care that cannot be provided at a primary health care level were referred to secondary and tertiary health services in line with the referral protocol.

Drug Management

In the past there was a problem with the consistent supply of drugs (drug stock outs). To solve the problem a dedicated coordinator was appointed to manage drug supply and to put systems in place to ensure the consistent supply of drugs. The national norm for drug stock outs is 2% and up to date the stock outs are less than 1.7% at any given time.

Community Involvement

Community participation is ensured through various mechanisms like mass awareness campaigns, clinic health committees and the complaint/ compliments box mechanism.

Quality Assurance: Training and Development of Personnel

Quality assurance is deliberate efforts by management and staff by evaluating and improving the quality of services rendered. This is achieved through:

- Patient satisfaction surveys;
- complaints/ complimentary box mechanism;
- management of queues;
- monitoring system for toilet hygiene;
- continuous training of staff on the Batho Pele Principles;
- Training of staff on new treatment protocols;
- Medico-Legal Risk Management; and
- Ensure that health professionals hold current registration with their respective professional bodies.

Further Achievements

- A reduction in the clinic maintenance back log.
- Implementation of the Ward Based HIV/ Aids Program in wards 2, 17 & 36.
- Procurement of a new mobile clinic for the Evaton West area.
- Procurement of cell phones for the clinics where the theft of telephone cables are rife.
- Upgrading of the vehicle fleet.
- Sessional doctors were appointed at 8 clinics.
- Training of staff:
 - 12 Professional Nurses obtained the 1 year Primary Health Care Diploma;
 - 2 Community Health Workers were upgraded to Enrolled Nurses.
 - 2 Nurses obtained a Diploma in Midwifery.
 - 45 Nurses received their Dispensing Certificates.

- 18 Clinic Clerks received training in the Introductory Word computer program.

ENVIRONMENTAL HEALTH SERVICES

This function rendered a comprehensive Municipal Health Service (Environmental Health) to ensure that the community living within the boundaries of Emfuleni live in a healthy and hazard free environment and to identify, monitor, evaluate and control environmental health hazards which can be detrimental to health.

This section is proud to announce the procurement of four new vehicles.

The following actions were taken during the reporting period:

FUNCTIONS	WARDS 1-43	PERFORMANCE TO DATE
Air Pollution (complaints solved)	×	82%
Water: rivers, dams etc. (complaints solved)	×	92%
Land: illegal dumping etc. (complaints solved)	×	80%
Food Hygiene (inspection and certificates of known food premises)	×	69%
Pest Control (complaints solved)	×	60%
Potable water; and Sanitation (complaints solved)	×	92%
Noise Pollution (complaints solved)	×	85%
Communicable Disease Control (investigations)	×	100%
Environmental Health Education (programs implemented in informal crèches)	×	85%
Disposal of the Dead (certifying of premises)	×	55%
Business Licensing applications received and processed	x	95%
Law Enforcement (notices and summonses)	×	70%
Keeping of animals (complaints solved)	×	80%
Health Surveillance of Pre-schools (certifying of premises)	x	99%
Health Surveillance of Premises (complaints solved)	×	90%
Tobacco Smoke Control	×	60%
Chemical Safety	×	92%

The following is a broader picture of Environmental Health functions as stipulated in the National Health Act, 2003 (Act 61 of 2003) that were performed in terms of a Service Level Agreement with the Sedibeng District Municipality:

Water quality control

Intergovernmental Working Group on Water is well established and is meeting frequently to resolve matters of common interest.

Food control

Inspections and monitoring of all food premises were done to ensure compliance with legislation and that a safe and wholesome product is provided to the public. Food unsound for human consumption was condemned at different shops and disposed of in such a manner that it would not be harmful or injurious to health.

Condemnation certificates were issued to the relevant business that surrendered the foodstuffs. With the view of cooperative governance an Intergovernmental Working Group on Environmental and Veterinary Public Health was established (A meat and milk forum): Coordination of inspections of milk parlours and milk plants (DACE and Dairy Standards).

Waste Management

The environment was monitored in respect of illegal dumping and littering. Inspections were done and remedial actions taken.

Health Surveillance of Premises

Inspections were done at premises to ensure compliance to legislation and Council policies. Investigated complaints and ensured that remedial actions took place.

Surveillance and Prevention of Communicable Diseases, excluding Immunizations

The Department liaised with the Sedibeng District Municipality and Provincial Outbreak Response Teams on regular basis.

Vector Control

Eradication of vectors on Council property by means of poisoning or fumigations took place. Investigated all complaints regarding vector related problems and ensured that remedial actions were taken where necessary.

Environmental Pollution Control

Investigation of complaints regarding all forms of pollution was dealt with. The monitoring of air quality is done by using the relevant equipment. Compliance and adherence to the relevant legislation was ensured.

Air Quality Monitoring Station

The four monitoring sites in the following areas, Vanderbijlpark, Evaton, Sharpeville and Three Rivers that form part of the monitoring network of the Vaal Airshed program had been commissioned and provide data on pollution levels on a continuous basis.

Three staff members received training in the basic maintenance of the four stations.

Various Intergovernmental Working Groups on Air Pollution were established. (National Association for Clean Air Forum Vaal Branch, Air Quality officers Forum & Project Ferro Forum)

Disposal of the Dead

Inspections of funeral undertakers and mortuaries were done. Exhumations were supervised to ensure compliance with the necessary legislation. Regular meetings took place with Funeral Undertaker Associations, Forensic Services (SAPS), Home Affairs and other relevant stakeholders regarding certain concerns raised by the associations.

Chemical Safety

Chemical premises were monitored where chemicals are kept.

Informal Crèches

Regular inspections were carried out to ensure compliance with the minimum standard set out in the regulations and guidelines. The majority (501) of crèches are situated in the previously disadvantaged areas.

Special Events

Environmental Health Practitioners are an integrated part of the planning of the events with other relevant stakeholders e.g. SAPS, Councilors, Disaster Management Sedibeng District Municipality, Traffic etc.

Many hours were spent to educate and train food handlers prior to trading at such events.

Further Achievements

- A service level agreement negotiated and signed between Emfuleni and Sedibeng district for service delivery.
- Installation of four ambient air quality monitoring stations with the value of R2.5 million.
- Strategic Partnerships with:

National Association for Clean Air;
Department Of Water Affairs and Forestry;
Department of Trade and Industry;
Sedibeng District Council;
Gauteng Provincial Health Department;
Department of Home Affairs;
Department Of Agriculture and Environment;
Department of Environment, Agriculture and Tourism

The above are some of the strategic partners that assist the department in performing its mandate

Training and Development

- 6 Environmental Health practitioners received training on Air Pollution Control assisted by the Department of Environmental Affairs and Tourism.
- One official received training on Environmental Management.
- All drivers of council vehicles trained on fleet management
- Training on computer skills is a continuous process.

-

Procurement of goods and services.

- 4 vehicles were procured through fleet management.
- Procurement of cell phones for all environmental practitioners which improved turn around time in the handling of complaints.
- Procurement of GPS which improved turn around time and shortened traveling distances.
- Procurement of digital cameras to be used for gathering evidence and training.
- Procurement of proxima's for training.

Poverty alleviation programs

- The division assisted 501 informal crèches to qualify for a supplementary feeding grant by means of an inspection and issuing of health reports.
- Burial assistance of 118 Indigents.
- Burial of 83 paupers.
- Donated 8 graves to bury indigents.
- Approved and overseen 4 exhumations.

Environmental Management

This function rendered the following Environmental Management Services on a limited scale to the community living within the boundaries of Emfuleni:

- To ensure that pollution and degradation of the environment are avoided.
- That the disturbance of the landscapes and sites that constitutes the nations cultural heritage is avoided.
- Monitor waste management practices
- Ensure the responsible, equitable use and exploitation of non-renewable and renewable natural resources.
- Continuous improvement of all aspects of environmental management.
- Establishment of an Environmental Management Coordination Committee.
- Prevent the negative impact on the environment and on the community's environmental rights through the EIA process.
- Integrated Environmental Management Frame Work and Risk Assessment.
- Public awareness programs.

Further Achievements

- Provision made on operational budget for appointment of:
 - 1 x Chief Environmental Management Officer (filled).
 - 2 x Environmental Management Inspector posts advertised.

SOCIAL DEVELOPMENT

This function rendered the following Social Development Service on a limited scale to the community living within the boundaries of Emfuleni:

- Local Program of Action for Children (LPAC as outflow from GPAC)
- Developmental programs for the youth.
- Care of the aged

- Developmental programs for people with disabilities
- Coordination of indigent programs
- Developmental programs for woman empowerment
- Job creation initiatives.
- Social work interventions

Further Achievements

- Establishment and sustenance of the Intersectoral Forum
- ID and Birth Certificate campaigns.
- Ground work for the securing of funding for the erection of centres for Early Childhood Development, Orphans and Vulnerable Children, Day Care for the Elderly, Old Age Homes and Rehabilitation.
- Secured limited funding for the population of the approved organogram.

Challenges for the Department of Environmental Management, Health and Social Development

High staff attrition as other municipalities pays a car allowance to environmental health practitioners.

- Delay in filling of vacancies.
- Lack of office space.
- Lack of Financial Skills
- Computer literacy.
- Specialist technical training
- Lack of implementation of the GIS system.
- Future funding Environmental Health Services and Primary Health Care
- Filling of Critical Vacancies
- Non filling of subsidised vacancies.
- Funding of the Indigent Verification Section.
- No integrated Environmental Management Framework for Emfuleni
- Promulgation of by-laws.
- Upgrading of vehicle fleet.

DEVELOPMENT PLANNING

LOCAL ECONOMIC DEVELOPMENT

The aim of LED is to create employment opportunities for local residents, alleviate poverty and distribute resources and opportunities to the benefit of all local residents.

Achievements

Poverty Alleviation

Poverty is endemic in ELM, especially in the townships and in surrounding rural or semi-rural areas. Even the main towns, which have been relatively prosperous

over time, are now experiencing unprecedented levels of poverty due to layoffs at MITTAL and other companies.

ELM has already carried out important initiatives with regard to poverty alleviation. These include:

- The establishment of Homestead food gardens in Evaton, Bophelong, Boitumelo, Lakeside and Eatonside. Members of the community who are benefiting from the Projects are as follows:
 - Evaton 226, Bophelong 121, Lakeside 158, Eatonside 30 Beneficiaries.
- Co-operatives data-base has been compiled and will be used in the capacitating of those co-operatives who will be identified as needed assistance in order to grow and be sustainable.

Hydro-phonic farming

The Hydro-phonic Farming tunnels which are situated in Tshepiso in Sharpeville, Zone 10 and Zone 7 in Sebokeng was one of the first projects funded by the DPLG in the early 2000. LED was actively in re-establishing the project in endeavoring to make it more viable. A Service Level Agreement was negotiated with the Social Department to repair and assist with improvement in partnership with Emfuleni and also to investigate options to improve management of the project.

Mphumelelo Industrial Hive

The Mphumelelo Industrial Hive situated in Bophelong was one of the first projects funded by the DPLG in early 2000. LED has identified new private sector partners and the Green Trust is actively supporting the project. Various new initiatives and operators have been identified and more investment is to follow based on approval of the business plans for expansions.

The Department of Social Development has recently expressed interest in the projects and after variable factors were considered it was resolved by the Council that Council enters into an agreement with Social Development for effective utilization of the hive. A memorandum of understanding between Emfuleni and Social Development was signed in 2007 and there are currently new developments happening at the hive to including other activities such as gymnasium.

New Developments

Thabong Shopping Centre in Zone 10

Thabong Shopping Centre is a multi million rand shopping complex developed at Sebokeng Zone 10 by Safari Development (PTY) LTD in conjunction with

Safari Investments Sebokeng (PTY) LTD who are the property owners. The 100 million rand shopping centre is situated along Moshoeshoe Road.

The construction of and 18700 square meters shopping centre commenced in October 2006 .The centre will house various food retail, medical, financial institutions and fashion and furnishers outlets. The construction of the shopping centre has created employment to over 300 people during the construction peak of which over 70% were local workforce. The centre shall create over 200 permanent job opportunities in the beginning and will increase as the centre grows. The centre opened on the 30th November 2007.

Local Economic Development Strategy

To discharge the developmental Local Government constitutional mandate that promotes economic growth and development, progress has been made to appoint a consultant to develop a comprehensive LED Strategy. The objectives of the strategy are; to promote economic growth and development through foreign and domestic direct investment promotions, the development of small, micro and medium enterprises, instilling the spirit of entrepreneurship, social and economic inclusion through concerted efforts to bridge the gap between the first and the second economy and reducing the cost of doing business within the municipality.

The appointment of a consultant will be done after the 2010 Sedibeng Precinct Plans have been completed and submitted to National Treasury for approval of the Neighborhood Development Partnership Grant in order to support the existing Sedibeng Growth and Development Strategy as well as the 2010 strategy.

Stakeholder Participation

During the beginning May 2007 a number of consultative workshops were held with various stakeholders as part of the process for the development of the LED strategy. Key amongst these workshops included:

- SMME's workshops held:
- Joint workshop between Land Use Management and LED department 12th of June 2007 and
- The following workshops were held during the 2007/2008 financial year:
 - Informal Trading workshop on the 18th of July 2007
 - Ward-based LED analysis workshop on the 22nd of August 2007
 - Steel Industry workshop on the 5th of September 2007
 - Tourism Industry workshop on the 7th of September 2007
 - Lastly a break-away Strategic session held on the 30th of November 2007
 - SMME/CO-operatives on 28 March 2008
 - SMME/CO-operatives on 30 May 2008

Community comments that have been gathered at these workshops will form part of the situational analysis phase of our LED Strategy.

TOURISM AND MARKETING

The main objective of the Tourism and Marketing Department is to manage, develop, promote and market tourism in the Emfuleni area by formulating and implementing tourism development programs according to National and Provincial legislation to ensure sustainable and responsible tourism products to support and develop the local economy.

The Tourism Department must endeavor to:

- Ensure and enabling institutional framework to improve co-operation and communication.
- Establish partnerships and linkages to extend the network with relevant partners in the public and private sector to benefit all.
- Ensure an informed and skilled community, facilitate awareness and build a culture of service excellence.
- Manage, disseminate and share relevant information with the industry and the public.
- Develop innovative tourism products in partnership with public and private sectors to support tourism, increase investment and SMME's.
- Improve the physical environment and reduce pollution and litter levels.
- Growing the tourism industry by marketing the area's attractions and tourism products.

Activities

- Participate in Provincial and District Tourism Stakeholders meetings.
- Management of Emfuleni Tourism Association.
- Identify additional partners to become members of the Emfuleni Tourism Association.
- Identify capacity building needs of Local Government, emergent and existing product owners and facilitate training.
- Facilitate accreditation, registration and quality assurance.
- Provide a safe and secure environment for visitors.
- Maintain and upgrading of a database of all tourism enterprises.
- Maintain a tourism information centre to provide information, facilitate communication and serve as a basis for activity in targeted areas.
- Develop print and electronic publications that will provide information to visitors and public.
- Develop print and electronic publications that will provide information to visitors and public.
- Develop tourism packages and tours.
- Develop and manage the Tourism Signage Policy.
- Facilitate SMME's development.
- Liaise with solid waste department to ensure necessary waste removal.

- Liaise with the LUM department to ensure a spatial development framework that incorporates a tourism land use management plan.
- Increase bed nights, number of visitors and tourism spend in the area by organizing the Vaal River Carnival.

Achievements

- **Communication with Stakeholders**

A total of 18 meetings with the Emfuleni Tourism Association were held to assist the tourism industry with their specific needs where possible. The tourism department held 35 other communication meetings with Sedibeng District Municipality, Gauteng Tourism Authority and DEAT regarding the Durban Indaba, the establishment of a Regional Tourism Organisation, connectivity meetings and much more. On 12 occasions SMME's were referred to Gauteng Enterprise Propellant and Tourism Enterprise Program to assist them in their needs to establish tourism products. The possibility to establish a Horse Cart Route in Sharpeville was also investigated. Four additional partners to become members of the Emfuleni Tourism association were identified and affiliated.

- **Capacity building and quality assurance**

Officials of the tourism department received computer training on Word. 6 Information and training sessions were organized for product owners regarding 2010 World Cup and other issues. 7 Facilities have been graded and 1 re-graded during this financial year.

- **Development and Maintaining of a Tourism Database**

The tourism department maintains the customized database on a regularly basis and 85 % of the tourism data were captured on the GIS System. The Tourism Department also assists the GIS developer to provide a section on the GIS System to capture all signage information to ensure good control and references for the Tourism Signage Policy.

- **Marketing**

The exhibition at the Durban Indaba was a great success and two tourism officials of the Tourism Department, the DMM of the Economic Development Department and the MMC of the LED and Tourism Portfolio partook in this exhibition. The Vaal River Carnival 2007 was organized between Emfuleni Local Municipality, Sedibeng District Municipality and other Tourism Stakeholders which took place from 24 August 2007 till 30 September 2007 with an attendance figure of about 95 000 spectators who stimulated the local economy. As part of the Tourism Marketing Strategy, the T1 Tourism Route was published in the 2007 Vaal Meander (the biggest publication in this area) and all Tourism products were listed in the publication. Regular updating of the Emfuleni Website also took place.

- Tourism Signage Strategy

Emfuleni Signage Liaison Committee finalized and approved 8 Tourism Signs according to the Policy and meetings with the already approve facilities to finalize the signing of the contracts were held. Negotiations with Sedibeng District Municipality to engage on the second phase of implementation are still in progress.

- Administration

All administrative functions are done on a regular basis and are handled according to councils administrative and financial procedures. 30 Normal Management Meetings were held and from January 2008, more than 500 people visited the tourism offices (533 walk-ins) and in addition to the (379) telephone enquiries, hand out documentation has been made available on tourism products and operators have been dealt with. 510 Enquiries were tourism related and the rest was corporate issues. 225 Maps were handed out to the public.

All administrative functions are done on a regular basis and are handled according to councils administrative and financial procedures. 30 Normal Management Meetings were held and from January 2008, 533 walk-ins and 379 telephone enquiries have been dealt with. 510 Enquiries were tourism related and the rest was corporate issues. 225 Maps were handed out to the public.

HOUSING

The Housing Department is committed to the delivery of diversified habitable houses, with all social amenities in a secure and development friendly environment.

The Housing Department's mission is to uphold the *Batho Pele* principles by:

- Ensuring cost effective and affordable services;
- Being responsive and sensitive to the social and housing needs of our communities;
- Providing a range of affordable shelter options.

The Department provides the following services:

- Rental accommodation to applicants on the official waiting lists;
- Eradicating informal settlements by 2014 – through the provision of proclaimed townships, with serviced stands and houses;
- Identifying suitable land for the establishment of new housing projects to reduce the housing backlog on the Gauteng Waiting List;
- The following housing units will be transferred to the tenants/purchasers through the *Retro Programme*:
 - Leeuhof Extension 1
 - Sonhof Flats

- Low cost housing units in Vanderbijlpark
- Housing units in Rust-ter-Vaal

Achievements

The GDoH has already concluded preliminary stages and process in 2007/8 of the following projects due for implementation in 2008/09:

Project Name	Implementing Agent	Contractor	Number of Units	Budget allocation
Tshepiso North Ext 1	<i>Department of Housing</i>	<i>Kubela Meladi</i>	295	<i>R 4 896 700</i>
Tshepiso South Ext 1	<i>Department of Housing</i>	<i>LLF Construction</i>	255	<i>R 3 366 000</i>
Tshepiso North Ext 3	<i>Department of Housing</i>	<i>Sea Kay Engineering House</i>	1500	<i>R 58 172 796</i>
Boipatong (old Xhasa)	<i>Department of Housing</i>	<i>MorulaRecources – Houses –</i> <i>DumaniProjects – Houses –</i> <i>Thubelisha - Backyard Upgrading</i>	3589 194 750	<i>R 8 600 000</i>
Boipatong (Kubela Meladi)	<i>Department of Housing</i>	<i>Kubel Meladi</i>	498	<i>R 12 241 750</i>
Lakeside Ext 4 (old Xhasa)	<i>Department of Housing</i>	<i>Spring Forest – Houses – 201</i> <i>Lubbe Construction – 143</i>	380	
Tshepiso Proper	<i>Department of Housing</i>	<i>Uvuko Civils – 540 Houses + 500</i>	<i>540 and extended to an additional 500 houses</i>	<i>R 22 965 523</i>
		<i>Patricia Gs Construction – Houses</i>	<i>500 with an extension of 350 houses in Johandeo,</i>	<i>R 11 654 146</i>

			<i>and 447 houses in Tshepong Proper Ph 2</i>	
Tshepong Proper (Homes 2000)		<i>Homes 2000 – Houses</i>	<i>463 with an extension of 1000 houses and 1447 services in Phase 2 of Tshepong Proper.</i>	<i>R 6 600 000</i>

STATUS OF PROJECTS

Tshepiso North Extension Project Status

Services

The project is in an implementation stage with the services for water and sewer completed.

Houses

- Kubela Meladi was appointed to construct 295 houses, and construction has started.
- The contract was entered into before the 2008/09 financial year and therefore 36 square meter houses are constructed.
- Progress is slow up to now and GDoH took remedial actions to address the matter.
- The project is earmarked for the Libya and Winnies Park informal settlements and beneficiary administration has been completed on these informal settlements.

Tshepiso South Ext 1

Services

- The project is in an implementation stage with the services for water and sewer completed.
- The only outstanding matter is the connection of the water to the main water line.

Houses

- Approval was granted to appoint LLF Construction to construct 255 houses, and the contract agreement is in process of being drafted.
- The houses to be constructed will be 40 square meters with the higher level of specifications.

- The project is earmarked for the Lybia and Winnies Park informal settlements and beneficiary administration has been completed on these informal settlements.

Approval is awaited for the additional cost for the connection to the main sewer line. Then the water and sewer will be operational.

Tshepiso North Ext 3

Services

- The project is in the implementation stage, with the services already completed.
- Construction of Toilet structures was stopped in accordance with the new policy of GDoH to construct houses with toilets inside the house. A total of 779 toilets were constructed.

Houses

- The project progressed very well with 1451 foundations, and 1000 houses completed with roofs on.
- On some houses there were quality problems, and walls did not go up to the roof level.
- 261 beneficiaries were allocated to the houses already.
- Beneficiaries from the backyards in Tshepiso and Boipatong will benefit from the project.

Boipatong (old Xhasa)

Houses

- GDoH entered into a contract agreement with Xhasa ATC to construct 600 houses through the CBP process in 2007/08 financial year.
- Progress was slow and the mandate of Xhasa came to an end on 31/3/2008.
- A number of houses are partially completed – total of 552.
- Backyard Upgrading -Thubelisha has been identified to be the contractor to do the upgrading of 750 backyard shacks. Progress is slower than expected due to the difficult circumstances the contractor is working under (shacks to be moved, sewer lines to be taken into account, limited space, etc.)
- To date 461 foundations have been completed with 194 houses completed.
- Beneficiaries living on the serviced stands in the project will benefit from the project.
- A PRT was appointed during the course of the project to render professional assistance.

Boipatong(Kubela Meladi)

Houses

- GDoH entered into a contract agreement with Kubela Meladi to construct 498 houses as a midterm intervention to speed up delivery in 2007/08.
- Progress was slower than planned.
- To date 461 foundations have been completed with 126 houses completed.

- Beneficiaries living on the serviced stands in the project will benefit from the project.

Lakeside Ext 4 (old Xhasa)

Houses

- GDoH entered into a contract agreement with Xhasa ATC to construct 380 houses through the CBP process in 2007/08 financial year.
- Progress was slow and the mandate of Xhasa came to an end on 31/3/2008.
- A number of houses are partially completed – total of 344.
- Beneficiaries living on the serviced stands in the project will benefit from the project.

Tshepiso Proper

Houses

- GDoH entered into a contract agreement with Uvuko Civils (Woman Contractor) to construct 540 houses in 2007/08 financial year.
- All houses have been completed.
- The project has been extended to an additional 500 houses.
- To date 296 foundations and 125 houses have been completed of Phase Two of the project.

Tshepong Proper

Houses

- GDoH entered into a contract agreement with Patricia Gs Construction (Women Contractor) to construct 500 houses in 2007/08 financial year.
- All houses have been completed.
- The contract has been extended with an additional 350 houses in Johandeo, and with an additional 447 houses in Phase 2 of Tshepong Proper (to be serviced first)
- Construction works has started in Johandeo with 2 foundations completed and 30 to be poured next week.

Tshepong Proper (Homes 2000)

Houses

- The construction is progressing very well
- To date 438 foundations and 320 houses have been completed and allocations are in process.
-

Services (Phase 2)

- The project is about to start and the contract agreement has been signed.

FACILITIES MANAGEMENT

Until late in 2007, the maintenance and renovation of Council owned buildings formed part of the Department Public Works in the Engineering Services Cluster. This department Public Works was however moved to the cluster EDP and IDP, and a new department Facilities Management was formed in the cluster Corporate Services. During March 2008 Council resolved that Facilities Management be part of the cluster EDP and IDP.

The department performed regular preventative and ad hoc maintenance to all Council facilities - that is buildings, workshops, fences, rental units etc. at an average rate of 85 works orders per month. Most of this maintenance is done responsively and not pro actively as the ideal situation would be. This is mainly due to the fact that the new department does not have the required human resource capacity or the funds yet to implement a planned preventative maintenance program.

CHALLENGES

A first Multi-year Operational and Budget Plan has been drafted which gave direction to the day to day operation of the department. A new Organisational Structure has been drafted, and job descriptions for 50% of the positions provided for on the structure have been finalised. It needs to be mentioned that much more funding to be spent on maintenance needs to be allowed to properly maintain Council buildings.

Weekly meeting with the Foremen in the department were initialised and held to co-ordinate workflow and solve problems. This reduced the number of maintenance complaints initially received by the department by as much as 50%. The rest of complaints mainly dealt with the workmanship of contractors.

PROPERTIES

The Property Section's vision is the effective facilitation of Development applications and the effective and efficient managing of Council fixed assets.

In order to achieve the above the Property Section must:

- Respond to applicants/developers professionals and governmental departments within an acceptable timeframe and submit applications to the relevant Committees without unreasonable delays.
- Deliver an effective service to the public by providing the necessary information and guidelines in terms of relevant legislation, procedures and policies within an acceptable timeframe and without unreasonable delays.
- Promote economic development by means of effective and responsive service delivery.

SITUATION ANALYSIS

MORATORIUM ON THE SALE OF LAND

A Moratorium on the sale of Municipal property until December 2007 was requested by the Gauteng Department of Housing during 2006. The moratorium was accepted by Council in December 2006 with certain exceptions like the sale of road reserves and properties required by state organs. A further report was submitted and approved by the Mayoral Committee to exclude transactions which were already entertained prior to the moratorium like tenders which were already advertised but not administratively finalized.

The moratorium is closely linked to the Land Audit that is anticipated to the Land Audit that is anticipated to be finalized within the next financial year. The implementation of the Property Rates Act during the next year will augment the audit process with the aim of lifting the moratorium.

EXISTING ACTIVITIES

A disposal policy has been approved in February 2008. The previous disposal policy was amended in order to be aligned with the Supply Chain Management Policy and the provisions of the Municipal Management Finance Act.

Lease applications are considered on merit and leasing of servitudes are conditional on the availability of basic services.

At present land is still being leased to applicants on an ad hoc basis. The registration of servitudes are proceeding in the light there of that it is a necessity for providing of certain basic services like electricity and water by entities like Rand Water Board and Eskom.

Applications for acquiring vacant land (for lease or sale) represents 80% of the Property Sections activities. The other 20% contains of lease of buildings (approximately 5%, registration of servitudes 5%, legal work 5% and other administrative work (capturing of data 5%).

The transfer of businesses in former disadvantage areas, which qualifies in terms of the Conversion Act, is in process.

Other activities which will be discussed under key challenges are:

- Land Audit
- Development of a data base for agreements and property transactions.

ACHIEVEMENTS

Finalization of Land Policy

The Policy was approved and is implemented on a continuous basis.

Finalization of Policy on Security Access Restrictions

Policy was approved by Council in February 2008. Existing applications are revised at present.

Incorporation of Land Audit into GIS

Land Audit information was given to Open Spatial solutions. Reports were created for updating of information like lease agreements, servitudes, owner information etc. All lease agreement and servitude information is updated on the GIS system at present.

Verification of land audit

Verification of Land Audit information with Emendo, the consultant firm, which were appointed to finalize the Land Audit, is in the process. Two lists have been verified with Emendo. Approximately 800 properties were verified, but due to challenges as discussed below, the verification process will progress very slowly.

Transfer of businesses in former disadvantage areas

The transfer of businesses, crèches and churches in former disadvantage areas, which qualifies in terms of the Conversion Act is in process. The Department of Housing has scrutinized 50 applications which qualifies and will advertise these in the first week of December to invite interest parties as well as possible objectors to respond.

Further applications of which the files are lost will be submitted to the Department of Housing in December 2008, after a list of these has been received from the Evaton Business group.

KEY CHALLENGES

LAND AUDIT CHALLENGES

A land audit has been completed during 2006. The Land Audit verification process is an on-going process which will go on hand in hand with the GIS updating process.

The Land Audit information was based on information obtained from the Land Surveyor General and the Deeds Office which information is not always correct. Another factor which contributes to the discrepancies in information, is the fact that Township registers in several disadvantage areas have not yet been opened. These properties is shown as farm portions on the Land Audit information but is in actual fact divided in numerous different stands which have not yet been registered at the Deeds Office.

Discrepancies in the information, which Council have and the information, which were submitted by Emendo have been identified. These discrepancies have been submitted to Emendo and Emendo is in the process to correct.

The Financial Department has embarked on a data clean up process and the PSU Company was appointed to assist.

According to information from the Data Clean up meetings driven by the Financial Services Cluster, a much more comprehensive database on ownership as well as land uses and zonings have been compiled which can be utilised as database for Council owned properties.

During October 2008 the Land Audit information as well as information on lists of all Council owned buildings, drafted by officials of the property section, were submitted to PSU International who were appointed by Council to assist with the data clean up process.

CHALLENGES ON DEVELOPING A DATA BASE

The QUIDITY Company was involved in providing a software program which suits the needs of the property section. Several meetings were held in order to develop a program for the updating of data (lease agreement data and progress on property transactions).

No progress has however been made and the property section is still capturing all data electronically on spread sheets. The development of a proper system is a key challenge due thereto that a system will provide linkages between all activities and will simplify the process of immediate access to information.

Challenges on transfer of businesses/crèches/churches

A number of files were lost when the Lekoa City Council amalgamated with the Western Vaal Metropolitan Substructure. The information on these businesses, crèches and churches will have to be obtained from the public/ applicants who can prove that the properties were allocated to them before 1 January 1989.

The scope of the applications, which qualifies, needs to be understood by interest parties. Only allocations of vacant land which were developed by the person to whom it was allocated will be entertained.

The process will be administrated by the Department of Provincial Housing and adjudications and allocations will be done by the Department.

LAND USE MANAGEMENT

It is the vision of the Land use Management Section to provide an environment for living, working, recreation and education for all residents of Emfuleni Local Municipality based on sound Town Planning principles.

In order to ensure that all development applications from a wide variety of the public and others are processed, this section will endeavour to finalize all such applications within the prescribed legislation and time frames applicable, which will have a direct positive influence on the Local Municipality's income base.

- The section consists of the following subsections:
- Land Use Control
- Spatial Planning
- Land Use Inspectorate
- GIS

In order to achieve the above the Land Use Section must:

- Minimize the time frames when dealing with land use applications.
- Provide an effective service in terms of provision of spatial information, policies and development guidelines.
- Effectively dealing with land use transgressions.
- Maintain the land use database in respect of land uses.

SITUATION ANALYSIS

Land Use Applications

Processing and finalization of land use applications; township establishments, rezonings, removal of restrictive title conditions, special consents, subdivisions and consolidations as

prescribed in the applicable legislation within reasonable timeframes. This section currently has to deal with five different town planning schemes within the Emfuleni area. A Key Performance Area that has been identified is a uniform land use management system for Emfuleni area. Gauteng Province is currently developing the draft guidelines for the Land Use Management Systems. The process will continue up to 2011.

Spatial Planning

This subsection has not been deployed but is indicated on the proposed organogram. It is crucial that this section gets off the ground because it gives the development directives to the Land Use Management Section specifically and to Council in general.

Land Use Inspectorate

This subsection is fairly new and is still going through growing pains. Processes need to adapt to the new Municipal Court System. Appointed inspectors need to be capacitated.

Geographical Information System (GIS)

This is also a new subsection within the Land Use Management Section. Although the GIS are currently under the auspices of the IT Section, there is a specific need to have a GIS subsection within Land Use Management because most of the maintenance on the GIS will be initiated from Land Use Management. Interviews were held and it is expected that at least one GIS Officer will be appointed in the very near future. Further interviews need to be held to appoint a second GIS officer.

The following were achieved in the past year:

Opening of township registers to enable residents to take ownership of properties.

New Township residential townships applications in process:

Riverspray Lifestyle Estates, Nonyana, Central East 7, and Flora Gardens extension 1 were approved by Council.

Several new applications for township establishment were submitted

Processing of development applications for rezoning, title removals and amendments, consent uses, subdivisions and consolidations. The backlog were reduced with almost 25% in three months.

BUILDING SECTION

The restructuring of the Emfuleni Local Municipality's organisational structure during the 2nd Quarter of 2007 resulted in that the Building Control Section was transferred from the Public Works Department of the Engineering Services Cluster, to the Economic Development Planning & IDP Cluster as a fully-fledged Department. The Building Control Department currently operates from two Customer Centres, the one based in the EDP & IDP Building (corner of Eric Louw and President Kruger Streets), Vanderbijlpark Central Business District and the other in the Houtkop Office Complex (Moshoeshoe Street) in Sebokeng.

It is the vision of the Building Control Department to enforce all appropriate legislation relating to the erection of buildings to ensure an aesthetical, safe and well structured community environment, acting responsible in the best interest of a section of the community or the public at large.

In order to ensure that Building Applications received are either approved or rejected, this Department endeavours to process plans for buildings with a floor area smaller than 500m² within 30 days of submission and with a floor area larger than 500m² within 60 days of submission. Compulsory building inspections are executed as and when requests for inspections are received.

In order to achieve the above, the Building Control Department offers information and renders the following summarized services to the public:

1. Information and assistance relating to:
 - a. the National Building Regulations and Building Standards Act - 103 of 1977 (as amended);
 - b. the Application Of The National Building Regulations – SABS 0400-1990 (as amended);
 - c. Municipal By-laws:
 - Regulations relating to the erection, installation, control, use or removal of any aerial system for the reception of sound and television broadcast transmissions;
 - By-laws for the control of street projections; and
 - Standard street and miscellaneous by-laws – Barbed wire and dangerous fencing
 - d. the Municipal Policy: Placement of containers on council property;
 - e. Building Plans:
 - existing information on record that is available;
 - the approval process and the process for minor building works;
 - all the required Building Application forms;
 - the building tariffs;
 - provisional authorization; and
 - status-quo on submitted plans for approval
2. Provide services relating to:
 - a. Building Applications received;
 - b. building inspections for buildings under construction;
 - c. complaints received in terms of transgression and encroachment; and
 - d. plan copy and reproduction

Level of Services

There is no backlog in Building Applications received. Building Applications are processed when they are received and after the required building fees are paid. Compulsory building inspections are executed on an “as and when required” basis.

Administrative:

- a. reducing the turnaround time for the approval or rejection of Building Applications;
- b. 100% implementation of the Geographical Information System (GIS) with specific reference to the electronic submission/circulation of Building Applications;
- c. no cashier facilities are currently provided at either of the Customer Centres in Vanderbijlpark and Sebokeng, resulting in that the public has to deposit the

- application fees at one of the council cashier points and thereafter return to the relevant Service Centre with their receipt; and
- d. implementation of the "Building Control on the Emfuleni Local Municipality website"

CHALLENGES

A first multi year operational plan and budget have been drafted which gave direction to the day to day operation of the department. A new Organisational Structure has been drafted, and job descriptions for 50% of the positions provided for on the structure have been finalised. It needs to be mentioned that much more funding to be spent on maintenance needs to be allowed to properly maintain Council buildings.

Weekly meeting with the Foremen in the department were initialised and held to co-ordinate workflow and solve problems. This reduced the number of maintenance complaints initially received by the department by as much as 50%. The rest of complaints mainly dealt with the workmanship of contractors.

FACILITIES MANAGEMENT

Until late in 2007, the maintenance and renovation of Council owned buildings formed part of the Department Public Works in the Engineering Services Cluster. This department Public Works was however moved to the cluster EDP and IDP, and a new department Facilities Management was formed in the cluster Corporate Services. During March 2008 Council resolved that Facilities Management be part of the cluster EDP and IDP.

The department performed regular preventative and ad hoc maintenance to all Council facilities, that is buildings, workshops, fences, rental units etc. at an average rate of 85 works orders per month. Most of this maintenance is done responsively and not pro actively as the ideal situation would be. This is mainly due to the fact that the new department does not have the required human resource capacity or the funds yet to implement a planned preventative maintenance program.

OFFICE OF THE MUNICIPAL MANAGER

PROJECT MANAGEMENT UNIT

The PMU experienced problems in the 2007/08 financial year with late tendering process, which greatly affected the project implementation plan.

With the suspension and dismissal of some of the staff, PMU could not achieve the goals that we set for ourselves which are:

1. Implementation of EPWP/LIC projects;
2. At least 70% completion of master plan of Emfuleni as this is the priority of the municipal to determine.

Backlogs

Sustainability of current existing and future infrastructure:

To accept new investments such as:

- New industrial areas
- New residential areas

Sustainability of the maintenance operations of our infrastructure namely:

- Roads
- Water and Sanitations
- Electrical Network
- Landfill sites, cemeteries and parks
- Recreational facilities etc

Improve our unit from Programme Management Unit to Project Management Unit which will help municipality to safe consultancy fees on our project which is a maximum of 15% of the project.

Full control of coordination of all the programmes that are currently running in the municipality such as:

- EPWP
- 20PTP
- Evaton Renewal Projects etc.

Solutions

- PMU to have Planning Section and Construction Section
- Speedy up the conclusion of the master plan
- Finalized organogram f the PMU to fully functional
- To have good communication and agreements which other departments by signing of the SLA
- Allocation of the funds for the feasibility study for order years projects
- By taking over the projects from departments gradually that will help the departments on focusing on their operations and maintenance

Summary

- We care, You Belong is the motto of this municipality and it is upon us as officials to make sure we really hold on to the meaning of our motto
- Service delivery is what everyone in this municipality PMU is here for, and it is upon us to make sure that it we improve, sustain the live hood of our people in our communities, as the municipality is the face of the government
- With EPWP/LIC Projects we will be able to achieve poverty alleviation and to move our people from the 2nd to 1st economy.

Annual Safety Performance for PMU Department & Projects (Contract Activities)

Safety Performance

On this basis, the elimination of all safety-related incidents at Emfuleni Local Municipality remains a focal point of our safety improvement drive. A significant effort, our occupational health and safety performance remains reasonable fine. No incident has occurred affecting, our employees, contractors & damage to property but also members of the public and their families to date.

Safety Performance

We did meet our target of zero fatalities.

- No fatalities were reported on construction sites and
- No fatalities encountered by PMU staff to date.

Safety performance incidents statistics

	Unit of measure	Actual 2008	Actual 2007
Employee safety			
Total fatalities	number	0	0
Electrical contact fatalities	number	0	0
Vehicle accident fatalities	number	0	0
Other work related injuries	number	0	0
Damage to Elm's property (Vehicle, Tools & Machines etc.)	number	3	0
Lost-time incident rate, including occupational diseases	n/a	n/a	n/a
Electrical contact injuries	number	0	0
Contractor safety			
Total contractor fatalities	number	0	0
Electrical contact fatalities	number	0	1
Other work related injuries	number	0	0
Public safety			
Total public fatalities	number	0	1
Incident assumed to be contributed by acts or omissions of contractors on sites	number	0	0

This performance is totally acceptable, and continued focus is required in terms of enhancing safety training and awareness, skills and competency, supervision and other related discipline.

Over and above a safety Christmas message has been send out on 28 October 2008 to Emfuleni News Editorial Team to be edited. The emphasis is to encourage and enforce the Implementing departments & contractors to implement **extra precautionary measures** on projects during the festive holidays and that member of the public to timelessly caution children about the danger of the construction sites and open excavations in their vicinity.

2007/2008 PROJECT LIST AND EXPENDITURE ON PROJECTS

Project Name	Budgeted Amount	Expenditure	Comments
PMU			
GIS	R 300,000.00	R 259,285.63	Not Capital Project
Upgrading of PMU Offices	R 500,000.00	R -	Not Capital Project
Special Projects (Operational Vote - PMU)	R 1,308,000.00	R 683,955.36	Not Capital Project
Total	R 2,108,000.00	R 943,240.99	
Roads and Storm-water			
Mpande Street in Zone 7	R 480,783.00	R 11,575.72	Tender & Design
Street 1 in Zone 3	R 368,621.00	R -	Tender & Design
Installation of Storm-water pipe in Mamelodi Str in Boipatong	R 46,000.00	R 32,050.00	Tender & Design
Storm-water Canal in Zone 16	R 147,600.00	R 56,241.67	Tender & Design
Pipe installation Zone 12 Presbyterian Church	R 500,000.00	R 23,215.88	Tender & Design
Sharpeville Storm-water reticulation Mareka Str	R 100,000.00	R 79,366.65	Tender & Design
Gamdor Road side drains	R 750,000.00	R 61,333.81	Tender & Design
Storm-water Pipe Bophelong Ext 17	R 4,148,744.00	R 3,025,146.12	Construction
Installation of Storm-water Pipe in Sebokeng Zone 11	R 374,220.00	R 203,961.78	Construction
Storm-water Pipe Bophelong Ext 11 & 12	R 1,061,756.00	R 1,066,733.43	Construction
Storm-water Canal Jet Nteo	R 174,000.00	R 96,042.00	Construction
Construction & Surfacing of Gravel Roads (Africon)	R 1,500,000.00	R 826,448.50	Construction
Resealing of Existing Roads (Multi year Project)	R 250,000.00	R 138,951.76	Completed
Construction of Bapedi Street	R 4,873,600.00	R 3,425,134.14	Construction
Construction of Dr Nkomo & Amatola Road	R 1,117,061.00	R 912,217.31	Completed
Total	R 15,892,385.00	R 9,958,418.77	

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Water and Sanitation			
Rehabilitation of Sewer Mains	R 900,000.00	R 520,822.24	
Repair, Upgrade and Maintenance of WCW's	R 13,419,100.00	R 13,137,942.80	Construction
Repair, Upgrade and Maintenance of WCW's	R 1,576,296.57	R 1,576,296.57	Construction
Regional Sanitation Scheme (Water Care Works)	R 7,138,969.65	R 7,138,969.65	Construction
Bulk Services To Quaggastroom (Phase 1 & 2)	R 66,817,659.00	R 63,814,087.20	Construction
Dry Sanitation	R 2,125,560.00	R 1,864,526.32	Construction
Replace VIP Sanitation with full borne sanitation system	R 600,000.00	R 214,572.60	Construction
Long term sanitation project. Includes new WCW's for Emfuleni and Midvaal and elimination of Sewer pump station.(Sedibeng Regional Sanitation Scheme)	R 563,000.00	R -	
Water Supply To Ramolele School (Agricultural Holdings)	R 780,000.00	R 417,708.30	Construction
Bulk Water to Zonderrwater	R 586,400.00	R 407,111.43	Completed
Basic Sanitation to Informal Settlements	R 553,000.00	R 386,362.08	Completed
Total	R 95,059,985.22	R 89,478,399.19	
Waste Management			
Operate to closure & rehabilitate Boitshepi Landfill	R 605,000.00	R 290,044.65	Consultants
Development of Palm Springs Landfill Site	R 455,000.00	R 56,928.24	Consultants
Zuurfontein Landfill Site	R 1,366,300.00	R 1,275,328.00	Completed
General Landfill Site	R 474,500.00	R 196,194.01	Consultants
Rehabilitation of Waldrift Landfill Site	R 316,700.00	R 169,534.09	Consultants
Total	R 3,217,500.00	R 1,988,028.99	

Masterplan			
Masterplan	R 1,000,000.00	R 698,471.12	Consultants
Total	R 1,000,000.00	R 698,471.12	
Cemeteries			
Identify land and establish new cemetery for burials	R -	R -	
Total	R -	R -	
Emergency Services			
Establishment of a new Fire Station (ultiyear 5,000,000)	R 649,472.00	R 1,281.11	Consultants
Total	R 649,472.00	R 1,281.11	
Sports and Recreation			
Construction of Ramps at Facilities for Disabled Persons	R 650,000.00	R 2,455.49	
Upgrading of Dickenson Park	R 450,000.00	R 422,848.70	Consultants
Total	R 1,100,000.00	R 425,304.19	
Electricity			
High Mast Small Farms	R 889,700.00	R 529,267.77	Construction
High Mast Evaton West	R 1,163,300.00	R 769,326.37	Construction
High Mast Sharpeville	R 2,378,800.00	R 1,901,456.96	Construction
Total	R 4,431,800.00	R 3,200,051.10	
GRAND TOTAL	R 123,459,142.22	R 106,693,195.46	

CONCLUSION

We are determined to spend the total MIG Allocation before 31 March (Provincial Financial Year) and to spend the Capital Budget by the 30 June (Municipal Financial Year)

The goal of the PMU is to enter in Service Level Agreement (SLA) between the PMU and all stakeholders or relevant implementing departments and Manager Projects according to Prince 2 Principles.

The intervention will be requested from DLG with the following:

- Eskom, to speed up the connections on electricity Projects;
- Palm Springs Landfill Site. Agreement to be drafted between ELM and Johannesburg City.

The goal of the Project Management Unit is to spend the full allocation allocated amount in each financial year and to have access to 45% of the MIG Allocated for the next financial year.

The Project Management Unit will ensure full compliance on Project Safety on MIG Projects done by the appointed Safety Officer.

INTEGRATED DEVELOPMENT PLANNING (IDP)

Introduction

The development of the Integrated Development Plan (IDP) was conducted in a more formalised way. All legislative requirements had been adhered too. The community was involved throughout the development lifespan of the plan.

Key performance areas

The IDP Process plan was developed as per legislation and was served to council at the end of August for approval. Development of the document had then after resumed with the analysis phase completed at the end of November and presented to all stakeholders. In December, both the strategies and projects were developed involving all Councillors as representatives of their constituencies, all managers, and representatives from the district and from sector departments. The integration phase was then completed in February. The draft IDP was presented to newly elected Councillors with the purpose of introducing them into the IDP and getting inputs into the final document. The draft IDP was therefore approved by council by the end of March and tabled to the public for commenting. By the end of May, the final product was therefore approved again by council and submitted to the MEC for Local Government for commenting purposes in June. It is important to note that comments from the MEC had been positive and indicated improvements as compared to the previous IDPs developed by the municipality.

Public-Participation

Attendance at public consultation meetings was something very much desired for an important document such as the IDP. It is important to note that other mechanisms need to be developed in order to stimulate interest of both NGO's and private sector to take

part in the development process. In addition, inputs from youth, women and people with disability have been limited. In the same manner, mechanisms should be established to empower this part of the community. The IDP was kept as an outstanding item during Senior Management meetings.

During the process of the plan, the following meetings were held:

Meetings	Number of meetings		% Attendance
	Scheduled	Held	
IDP Steering Committee	4	4	100%
IDP Representative Forum	1	1	80%
Strategic Session	1	1	100%
Project Task Team	2	2	99%
Council	2	2	100%
Public Consultation	8	8	95%
Private Sector and Sector Departments	1	1	75%
NGO's	1	1	55%

Implementation

Only capital projects funded from the Municipal Infrastructure Grant were implemented. Most of those projects were successfully implemented with 356 temporary employments created across the municipal boundary.

CORPORATE SERVICES

CORPORATE CLUSTER

The purpose of the cluster is primarily to render an efficient and effective support service to Council and all its committees, all departments of Council as well as the community.

Communication

Newsletters

Eleven newsletters were circulated monthly with the municipal accounts. The newsletters covered matters relating to policies, by-laws, Council resolutions, development projects and other achievements.

Two internal newsletters were circulated covering staff matters, Council decisions and other matters of interest to staff members.

Website

Since the appointment of the Website Master during January 2007, Council's website is updated on a daily basis and very few of the sites are still under construction. Council's website has become an effective communication tool.

Bontle-ke-Botho

The Operation Restore Dignity was endorsed by Council at its special sitting on 27 March 2007, for it to be launched in the first week of April 2007, to coincide and dovetail with the "Bontle-ke-Botho" Campaign on 24 April 2007.

The focus of the project is on the municipality and community partnerships in Waste Management projects. It is strategic to embark on an aggressive awareness campaign to capacitate the Ward Committees, Environmental Committees and health Committees in the communities to ensure sustainability.

Project Restore Dignity was successfully launched in Evaton on 30 May 2007 with about 400 residents participating, officials and politicians as well as representatives from Gauteng Housing Department. In other areas such as Sharpeville, Boitatong, Rust-ter-Vaal and Bophelong during June and July 2008.

Administration of contracts

All agreements that are listed in the Security Register were electronically scanned and captured on the Electronic Management System (Quidity). Missing agreements have been identified and those retrieved have been electronically captured and hard copies entered into the security register index and safely filed.

52 agreements emanating from Council and Mayoral resolutions from 2000 until December 2006 were identified of which 49 were recovered and 3 are still outstanding.

9 expired agreements that are listed in Security Register from 2000 until December 2006 were identified of which 4 have been cancelled and 5 are still outstanding.

31 agreements emanating from Bid Adjudication Committee Meetings from April 2004 to December 2006 were identified of which 7 have either been received or solved and 24 are still outstanding.

Measures are well underway to track/recover outstanding agreements and a pro-active measure will soon be in place whereby officials will have access to peruse all agreements on the Quidity/Administrator Electronic Document Program instead of accessing the hard copies.

Electronic Document Management Program

Since the implementation of the Electronic Document Management Program, a total of 4041 documents as reflected below were scanned and captured on the system during July 2006 until June 2008:

2007	NUMBERS CAPTURED	2008	NUMBERS CAPTURED
JULY	563	JANUARY	290
AUGUST	400	FEBRUARY	336
SEPTEMBER	271	MARCH	277
OCTOBER	455	APRIL	027
NOVEMBER	489	MAY	233
DECEMBER	199	JUNE	501

During the period under review, end users were trained to use the Program in order to retrieve assigned documents, to forward assignments, to follow up on assignments and to search for captured documents. Another training session for accommodating more end users will be conducted in the next financial year.

Synchronisation of Meetings

During January 2007 the Committee Section in consultation with the offices of the Speaker and the Executive Mayor as well as the 10 members of the Mayoral Committee, drew a calendar for Meetings of Council and all its Committees. In addition the Corporate Calendar was drawn, which is systematically updated and issued on a monthly basis.

A total of 7 meetings regarding the software were held between Sedibeng and its 3 locals namely, Emfuleni, Midvaal and Lesedi.

INFORMATION, COMMUNICATION AND TECHNOLOGY (ICT)

The ICT function within Emfuleni is outsourced to the Sedibeng District Municipality. The department comprises of 8 fulltime employees seconded from Sedibeng District Municipality to the ELM and 4 interns that renders all ICT services. The following services are rendered by ICT against the current Service Level Agreement (SLA):

Daily operations on the Venus (financial) server:

- Daily, monthly, annual backups;
- Ensuring all servers are operational;
- Capturing billing meter readings;
- Printing of all consumer accounts (145,000 monthly accounts);
- Processing all daily, monthly and annual operating schedules on the Financial System.

Network Administration:

- Ensuring access controls are adhered to;
- Granting access to users of systems (Financial System, Novell, Internet, e-mail, GIS);
- Ensuring Firewalls and anti-virus software are updated.

Helpdesk:

- Logging and control of all ICT related calls logged by users

Technicians:

- Installation, repair and maintenance of all Computers, printers,
- Installation of network Points , cabling and LAN Equipment
- First line of support / service to WAN (wide area network)

Project Management:

- Planning of expansion on LAN / WAN and Communication network;
- Guidance on Information and Communication Technology needs of the Council; and
- Software support.

Managerial and Administration of ICT Section:

- Development of an operational plan, Operational and Capital budget, IDP document for ICT;
- Risk management (design and implement Disaster Recovery Plans for the (Venus, Novell, GIS).

Achievements

The Wide Area Network (WAN) has been expanded by 5 (five) new radio links (Sharpeville Library, Community Services, Vanderbijlpark Mechanical Workshop, Sonlandpark Sub-station and Duncanville Sub-station) have been linked onto the WAN). The radio links to Metsi and the Fire brigade in Vanderbijlpark have been upgraded so that these sites may access the ELM computer network and enable VOIP (voice over IP).

The GIS (Geographical Information System) has been expanded to include the following layers: Local Economic Development, Metsi Water layer, Metsi Sewer, Engineering Services, Storm-water, Roads and Project Management. It should be noted that the orthophoto's (geographical photos) used in the GIS, is of the highest quality in South Africa.

A Total of 110 desktop computers, 45 Notebooks and no new servers have been rolled out during the period under review and the Novell software used on the network has been upgraded as well. 345 software window packages and 25 Printers were also secured.

A total of **4755** calls were logged at the ICT helpdesk. All calls were serviced with immediacy and turn-around time is virtually immediate. During this period a DRP (Disaster Recovery Plan) was developed for the full district wide ICT service and systems such as Venus, GIS and Novell are being tested. A DRP and Business Continuity plan will ensure business continuity should there be a disaster and to safeguard Council assets and information repositories in the event of a disaster so that the core business of council can still continue with minimal interruptions. The implementation of a DRP is a dynamic process and must be evaluated and improved on an ongoing basis.

LEGAL SERVICES

The unit is responsible for giving legal support to all the clusters. Duties of the unit are, amongst others, litigation (including debt collection), criminal, Labour matters. Under the financial year in consideration there were 29 Civil matters of which 13 have been finalised. 16 matters are current and are at different levels before the courts of the law. Of the 16 matters, 5 are 3rd party matters.

On the other hand ELM has instituted 7 legal proceedings against 3rd parties ranging from damaged sustained by the municipality, outstanding rates and taxes and unveiling of the corporate veil.

It is worth to mention individually the debt collection matters whereby the municipality suspended the instructions to attorneys. Council took a resolution that the Municipal Manager negotiate a settlement with the 3 firms which were co-operating and report back to it. A report outlining a settlement proposal will serve before Council. KLS has instituted action for services rendered in the amount of R7,5m and the matter is set down for 14 April 2009. It should further be mentioned that some of the clients of KLS have applied for the liquidation of the firm. In so far as Kwa-Masiza is concerned, a proposal to expropriate has served before the mayoral committee.

There are currently 7 criminal matters pending before the courts for offenses committed by officials and 3rd parties and they range from theft, fraud and malicious damage to council property

RELATING BACKLOGS TO MUNICIPAL SPENDING ON SERVICES

WATER SERVICES

2.3.1 Water Backlogs	30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Water Backlogs (6Kl per month)						
Backlogs to be eliminated (No. Households Not Receiving Minimum Standard of Service)	0	0	0	50	500000	500000
Backlogs to be eliminated (Percentage - Households identified as backlogs / total Households in	0.01	0	0	50	500000	500000

Municipality)						
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	24000000	24000000	24000000	30000000	30000000	30000000
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	25000000	25000000	25000000	35000000	35000000	35000000
Total Spending to Eliminate Backlogs (Rand 000)	0	0	0	50	500000	0
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	50000000	5000000	5000000	50000000	5000000	5000000

SANITATION

2.3.2 Sanitation Backlogs	30 June 2007			30 June 2008		
	Required	Budgeted	Required	Budgeted	Required	Budgeted
Backlogs to be eliminated (No. Households Not Receiving Minimum Standard of Service)	11500	0	0	11500	0	0
Backlogs to be	6.3%	0	0	6.3%	0	0

eliminated (Percentage - Households identified as backlogs / total Households in Municipality)						
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	24000000	24000000	24000000	30000000	30000000	30000000
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	25000000	25000000	25000000	35000000	35000000	35000000
Total Spending to Eliminate Backlogs (Rand 000)	2500000	2500000	2500000	2500000	2500000	2500000
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	50000000	5000000	5000000	50000000	5000000	5000000

REFUSE REMOVAL

2.3.3 Refuse Removal Backlogs	1 July 2007			30 June 2008		
	Required	Budgeted	Required	Budgeted	Required	Budgeted
Backlogs to be eliminated (No. Households Not Receiving Minimum Standard of Service)	21,500 households	3,159,917	3,152,800	R0	30 777 households	R0

Backlogs to be eliminated (Percentage - Households identified as backlogs / total Households in Municipality)	14,54%	0	0	17,69%	0	0
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	5,650,000	1,042,485	661,595	1,619,500	300,490	675,480
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	23,104,657	22,704,657	20,923,111	11,107,000	2,142,311	4,312,019
Total Spending to Eliminate Backlogs (Rand 000)	28,754,657	23,747,142	21,584,706	12,726,500	2,442,801	4987,499,
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	193,396	193,396	104,953	262,840	100,719	262,840

ELECTRICITY

2.3.4 Electricity Backlogs	1 July 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlogs to be eliminated (No. Households Not Receiving Minimum Standard of Service) <i>(This figure depends on the definition of "Backlog". The stands indicated here have been identified but building of houses still has to commence)</i>	21 353	0	0	2487	0	0

Backlogs to be eliminated (Percentage - Households identified as backlogs / total Households in Municipality)				2487/196480 1.2%		
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	R102.2m	0	0	2487*R7000 =R17,409m	R4,286m	0
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	R59.9m	R9.652m	R5.6m	R4,669m	R18,35m	R58m
Total Spending to Eliminate Backlogs (Rand 000)	R162.1m	R9.652m	R5.6m	R64,099m	R22,639m	R5,8m

ROADS AND STORMWATER

Paved Roads Backlogs	1 July 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlogs to be eliminated (No. KM's Not Providing Minimum Standard of Service)	932	45	35	769	30	55
Backlogs to be eliminated (Percentage – KM's identified as backlogs / total KM's)	68.5%	3.3%	2.5%	56%	2.2%	4%
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	R906 million	R21,303 million	R22,325 million	R950 million	R17,178 million	R17,331 million
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	R661 million	R8 million	R6 375 036	R536 million	R18,2 million	R23,872

Emfuleni Local Municipality Annual Report: 2007/08

Total Spending to Eliminate Backlogs (Rand 000)	R1 554 million	R29,303 million	R28,7 million	R1 486 million	R35,378 million	R41,203 million
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NB! The Provincial Governments Goals & the National Governments goals on the Priority Twenty Township Program and the millennium goals to have all roads tarred within the urban edge by 2012 is part of the total backlogs. These backlog figures is a total per annum required over the next 5 years to achieve the goals.

gravel Roads Backlogs	1 July 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlogs to be eliminated (No. KM's Not Providing Minimum Standard of Service)	960	38	126	894	164	66
Backlogs to be eliminated (Percentage – KM's identified as backlogs / total KM's)	89%	3.5%	11.6%	87%	16%	6.4%
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	This is part of tarred road backlog to have all roads tarred by 2012			This is part of tarred road backlog to have all roads tarred by 2012		
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	R253 million	Part of OPEX	Part of OPEX	R259 million	Part of OPEX	Part of OPEX
Total Spending to Eliminate Backlogs (Rand 000)	R253 million	Part of OPEX	Part of OPEX	R259 million	Part of OPEX	Part of OPEX
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	R253 million	R17 138 807	R8 832 044	R259 million	R10,503 million	R9,710 million

It must be noted that the minimum standard was the guideline as retained in the DPLG Basic Level of Service guide.

Storm-water Backlogs	1 July 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlogs to be eliminated (No. KM's Not Providing Minimum Standard of Service)	335	6	6	329	28	7

Emfuleni Local Municipality Annual Report: 2007/08

Backlogs to be eliminated (Percentage – KM's identified as backlogs / total KM's)	73%	1.3%	1.3%	71.7%	6.1%	1.5%
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	R74.25 million	1.5 million	1.5 million	R92,07 million	R13,316 million	R3,610 million
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	R51 million	Part of OPEX	Part of OPEX	R63.24 million	Part of OPEX	Part of OPEX
Total Spending to Eliminate Backlogs (Rand 000)	R125.25 million	Part of OPEX	Part of OPEX	R155,31 million	Part of OPEX	Part of OPEX
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	R42.65 million	R9 278 155	R 9 110 982	R46,95 million	R15 291 028	R19 286 875

WASTE MANAGEMENT

2.3.3 Refuse Removal Backlogs	30 June 2007			30 June 2008		
	Required	Budgeted	Required	Budget ed	Required	Budgeted
Backlogs to be eliminated (No. Households Not Receiving Minimum Standard of Service)	21,500 households	3,159,917	3,152,800	R0	30 777 households	R0
Backlogs to be eliminated (Percentage - Households identified as backlogs / total Households in Municipality)	14,54%	0	0	17,69%	0	0
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	5,650,000	1,042,485	661,595	1,619,500	300,490	675,480
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	23,104,657	22,704,657	20,923,111	11,107,000	2,142,311	4,312,019
Total Spending to Eliminate Backlogs (Rand 000)	28,754,657	23,747,142	21,584,706	12,726,500	2,442,801	4987,499,
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	193,396	193,396	104,953	262,840	100,719	262,840

Road Traffic Signs Backlogs	1 July 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlogs to be eliminated (No. KM's Not Providing Minimum Standard of Service)	1 360	338	338	1 360	338	338
Backlogs to be eliminated (Percentage – KM's identified as backlogs / total KM's)	100%	24%	24%	100%	24%	24%
Spending on New infrastructure to Eliminate Backlogs (Rand 000)	0	0	0	R4 228 865	Part of OPEX	Part of OPEX
Spending on Renewal of Existing Infrastructure to Eliminate Backlogs (Rand 000)	0	0	0	R4 228 866	Part of OPEX	Part of OPEX
Total Spending to Eliminate Backlogs (Rand 000)	6 820 751	0	0	R 8 457 731	Part of OPEX	Part of OPEX
Spending on Maintenance to Ensure No New Backlogs Created (Rand 000)	4 632 900	2 445 050	2 414 562	R7 998 757	R3 782 229	R2 850 623

BUILDING PLANS

Category:		Category: Applications Outstanding			Category :Outstanding Applications		
		01 July 2007			30 June 2008		
		Residential New	Non Residential	Additions	Residential New	Non Residential	Additions
New Applications Received		4 012	38	1 762	0	0	0
Total Value		R 627,934,467	R 141.321.950	R 477,741,942			

FACILITIES

CHALLENGES	NATURE OF THE CHALLENGE			PROPOSED SOLUTION		

Capacitating of the department	There are 19 filled positions, and 55 vacancies in the department. The 19 staff members have to perform repairs and maintenance at, inter alia, the following :	1. Advertise and fill approved positions urgently, once moratorium on filling of vacancies has been uplifted
		2. Investigate alternative measures to overcome shortage of unfunded vacancies.
Establishment of Facilities Master Maintenance Plan	The department is still performing maintenance responsively, upon receipt of maintenance requests. Maintenance has been neglected for a long time, due to the lack of funding, with the result that most of Council facilities are in dire need of repair and pro-active maintenance. A master plan, including a preventative maintenance plan, accompanied by the necessary budget has to be developed.	Budget for Facilities Master Plan to the amount of R 1 500 000.
Lack of computer skills	None of the existing staff members have ever received any computer training. This results in all admin related functions being performed on hard copy. There is a general reluctance to shift from paper tray to soft copies	1. Provide computer training
		2. Change of mindset
internal audit of procedures and processes	The Facilities Management business unit is a totally new unit established during the latter half of 2007. In order to assist the new unit in verifying whether existing procedures and processes comply with best practices, a compliance audit by the Internal Audit unit is required. This will assist in amending processes where needed to leave a proper audit trail. A memo in this regard was submitted to the CAE on 14 November 2007	Meeting with CAE and Audit Section.
		Discussions have been entered into with the CAE
Turn around times on service delivery	Service providers, such as companies providing plumbing services register on Council's data base. These companies are used on a rotational basis to install geysers, unblock drains etc. The department regularly experience comebacks where horizontal geysers were installed vertically (eg Sonhof 43) or wrong diameter piping were used.	1. Appointment of Senior Plumber, Plumber and General Workers to be processed speedily.
		2. Only service providers with appropriate qualifications to be accepted on data base eg plumbers with red seal tickets.
Delegation of Authority	Appointment of service providers in cases of emergency, such as burst geysers, fallen walls/ceilings etc. need to be delegated to the DMM: EDP and IDP or the Manager: Facilities	1. Finalise delegation of authority

Projects - Office Accommodation	The responsibility to co-ordinate, draft scopes of work and liaise with Project Management Unit regarding Council's office accommodation projects have been transferred to the department Facilities. Currently the following projects have to be attended to:	Advertise and fill position of Architect urgently
	1. Upgrading of HR building (depending on roll over of R1,2m)	Specifications and tender finalised
	2. Upgrading of Mayor's Parlor (depending on erection of new building and roll over of R1m)	(Scope of work to be supplied by Secretariat and Admin Support)

LOCAL ECONOMIC DEVELOPMENT

CHALLENGES	NATURE OF THE CHALLENGE	PROPOSED SOLUTION
No Capital Budget to implement development projects	Shortage of manpower to execute daily inspections to ensure compliance to Street Trading and Advertising By-Laws.	The appointment of personnel in vacant positions
Lack of manpower e.g. fieldworkers		The appointment of personnel in vacant positions
The delay in the finalization of the Street Trading By-Laws and its impact on law enforcement		
No Capital Budget to implement development projects		

TOURISM AND MARKETING

CHALLENGES	NATURE OF THE CHALLENGE	PROPOSED SOLUTION
Funds must be made available to implement the tourism signage		Urgent attention must be given to the supply of personnel, equipment and the capacitating of personnel to achieve the objectives of the Tourism and Marketing department.
To develop the full potential of integrated comprehensive electronic tourism database internet connections had to be established with neighboring councils and GTA to fulfill the needs of visitors in the area and		The appointment of personnel in vacant positions

district		
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HOUSING

CHALLENGES	LEVEL AND STANDARD OF SERVICES:			APPLIED SOLUTION	PROPOSED SOLUTION		
Level of services:	The services backlog is estimated to be in the region of 7 500 units representing people living in informal settlements.			Stands in housing projects are individually serviced with water and a water-borne sewer system.	The arrangement is that installation of the electrical network commences once 80% of the houses has been occupied.		
Land invasions:	Land invasions are taking place in or near the vicinity of identified housing projects. The following examples can be cited in this regard: Tshepiso North Extension 1 Tshepiso South Extension 1 Sebokeng Zone 24 Ironsyde Industrial informal settlement (adjacent to Tshepong)				drastic measures are put into placej to contain further squatting.		
Land availability causing delays the planning and implementation of new housing projects.	Council-owned land, suitable for housing projects, is inadequate and				land must be purchased from private land owners.		

CHAPTER 3

HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT



[2007/-08]

HUMAN RESOURCE AND ORGANISATIONAL MANAGEMENT

BACKGROUND

The Emfuleni Local Municipality subscribes to and is committed to the standards prescribed by the King 11 report on Corporate Governance.

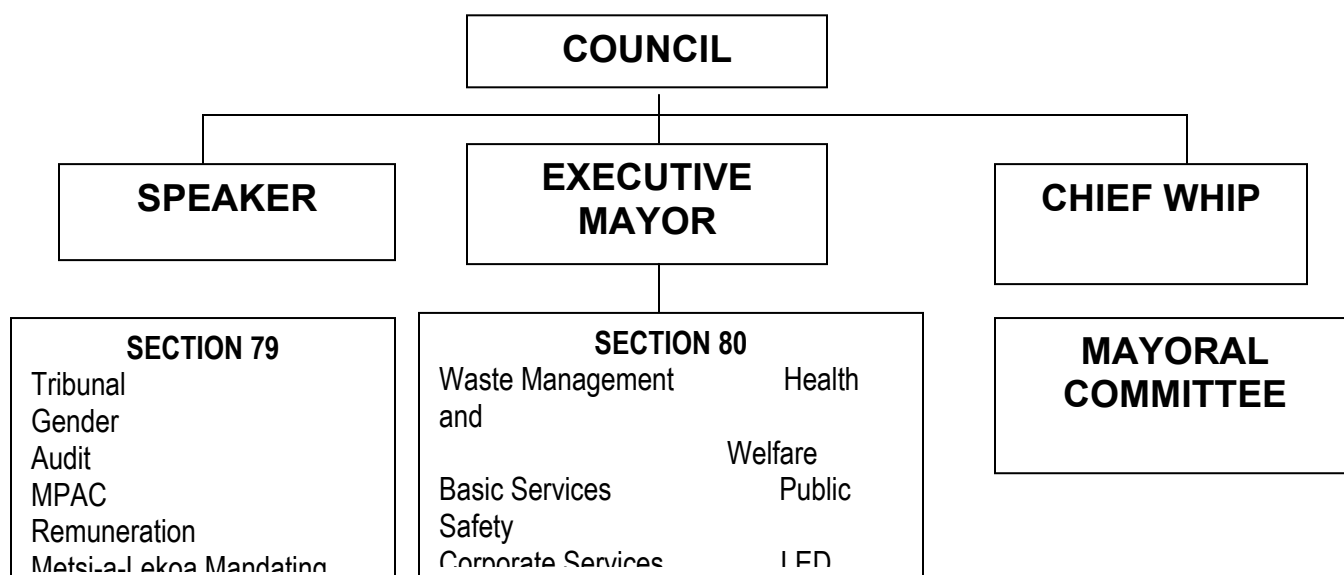
Notwithstanding the various legislative frameworks which are applicable to Local Government, the underpinning Acts which determine the legislative framework for the Local Government are:

- The Constitution of the Republic of South Africa, Act No.108 of 1996;
- Local Government: Municipal Structures Act, Act No. 117 of 1998;
- Local Government; Municipal Systems Act, Act No. 32 of 2000;
- Local Government: Municipal Finance Management Act, Act No.56 of 2003;
- Local Government: Municipal Property Rates Act, Act No.6 of 2004

ORGANIZATIONAL STRUCTURE

The municipality is composed of political and administrative components. The political component is headed by the Speaker whilst administration is headed by the Municipal Manager.

POLITICAL STRUCTURE



In terms of section 166 of the Local Government: Municipal Finance Management Act, ELM has established a range of oversight and monitoring committees such as audit ,ethics, tribunal, cluster committees which meet on a regular basis.

MAYORAL COMMITTEE

The mayoral committee is the committee of the Executive Mayor. The Executive Mayor, Cllr D.R Tsotetsi was redeployed by the ANC in May 2008 and was replaced by Cllr A. Mshudulu. In executing his duties as the Executive Mayor is assisted by his committee and they are:

<u>Name</u>	<u>Portfolio (Member of Mayoral Committee (MMC))</u>
Cllr. T S Moepadira	Sports, Arts and Culture
Cllr. T J S Thabane	Water, Electricity and Sanitation / Infrastructure
Cllr. F N Vundisa	Health and Social Welfare
Cllr. M R Letsoenyio	Safety and Security
Cllr. M P Muir	Development Planning and Local Economic Development
Cllr. D M. Malisa	Administration, Corporate Service, Human Resources, Information Technology and Legal
Cllr. S E Pitso	Housing
Cllr. M T Ronyuza	Public Transport, Roads and Works
Cllr. N R Thulo	Waste Management and Cemeteries
Cllr. K J M Ranake	Finance

ADMINISTRATION

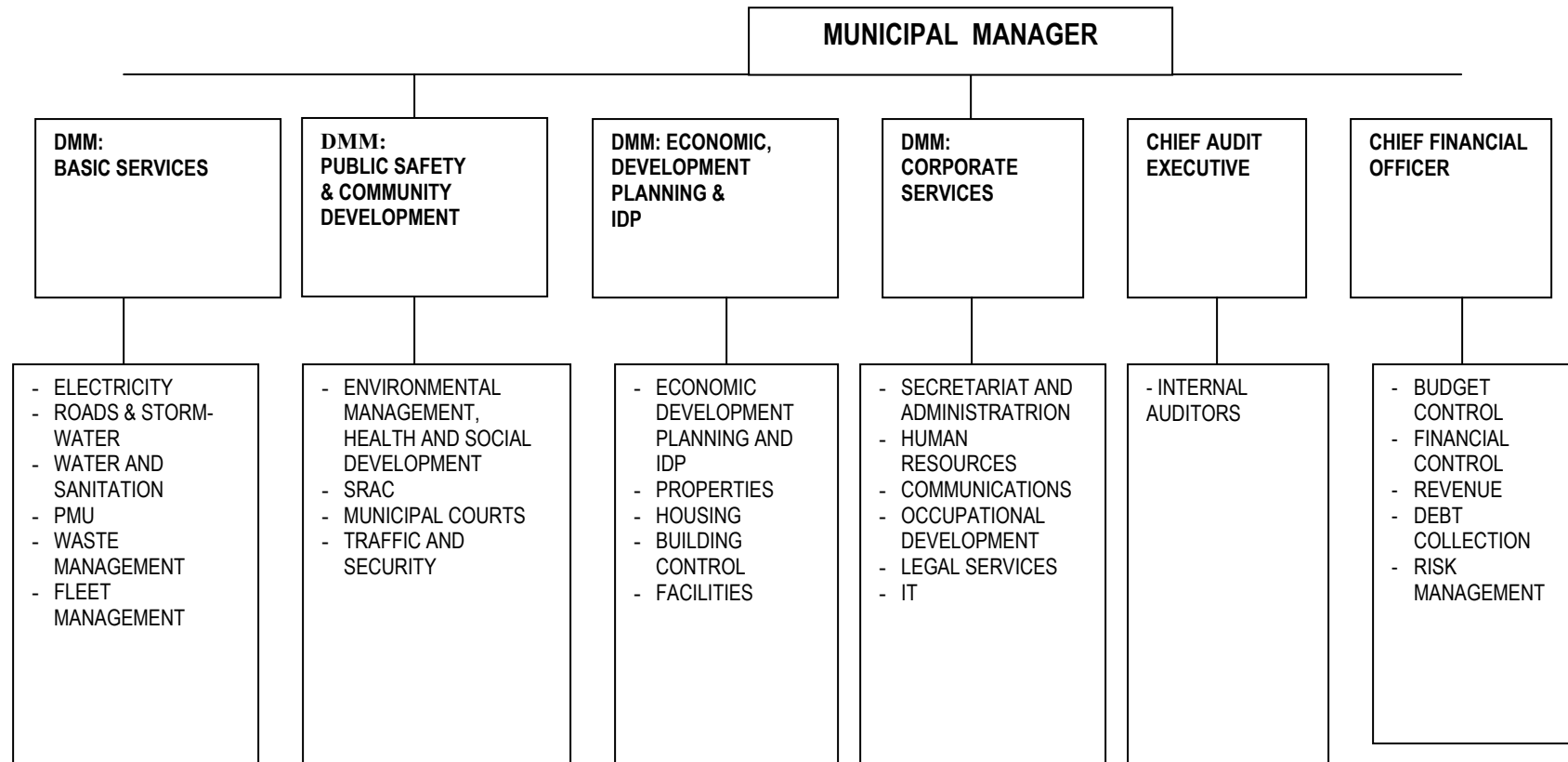
Before the structure was approved, a high level organizational structure was adopted in 2007 to allow the strategic appointment of Managers reporting directly to the Municipal Manager whilst awaiting the approval of the institution as a whole. The total number of clusters was reduced from five (5) to four (4) and they are Basic Services, Finance, Corporate Services and Local Economic Development & IDP. However, this proved not to be effective because the Basic Services Cluster proved to be too big to can be managed by one Deputy Municipal Manager. When the structure was approved by the municipal council the clusters were increased to five and the fifth one became known as Public Safety and Community Development.

On the 13th of March 2008 a functional organizational structure was approved by the municipal council. The structure is subject to annual review and furthermore, the municipal council has allowed the filling of vacancies over a period of three (3) years to allow for proper planning and budgeting.

By the end of June 2007 the Municipal Manager and all the Deputy Municipal Managers, Managers reporting directly to the Municipal Manager, were appointed. By end of June 2008 the Deputy Municipal Manager: LED & IDP and the CFO remained in

the employ of ELM. Deputy Municipal Managers Corporate Services and Basic Services resigned and the Municipal Manager was suspended.

ADMINISTRATIVE STRUCTURE



INITIATIVES RELATING TO EMPLOYMENT ISSUES AND SUCESSSES

EMPLOYMENT TARGETS

We set ourselves a target of appointing 400 employees, the process got derailed by objections from Organised Labour who alleged that they were not consulted when the approved organogram was drafted and discussed. The process of appointments had to halted to accommodate inputs from labour. We nonetheless at the end of the year proudly proclaimed that notwithstanding the hiccups 158 employees got to be appointed in higher positions (promotions) or got new jobs (externals). Percentage achieved is an inspiring 34,5%.

TERMINATIONS

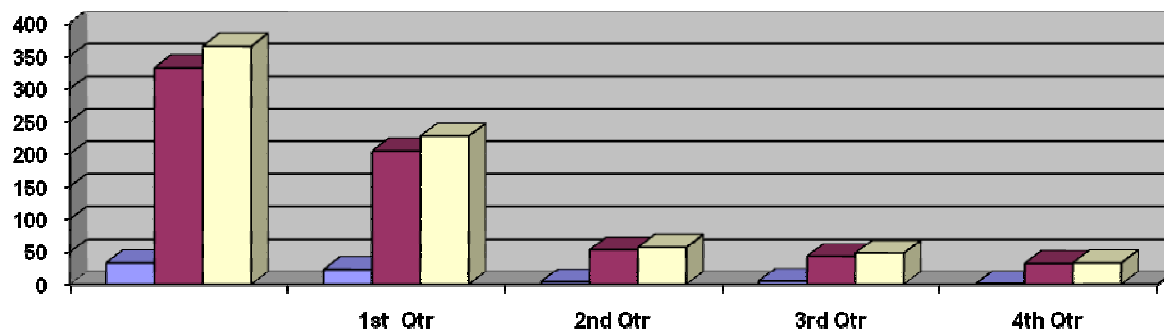
For the period under review there were two hundred and twenty seven (227) terminations which is 1% more than the previous financial year, that is from 4% to 5%. The majority of the terminations were experienced within the occupational levels which include, among others, skilled personnel, technical and junior management. The implication of this is that ELM has failed to retain and attract scarce skills and enhance its labour force. Furthermore, the ageing employee profile alluded to in the 2006/2007 financial report has not changed as envisaged and the Accelerated Leadership Management Programmes did not take off the ground and this remains a challenge. A more vigorous Recruitment Policy and Strategy needs to be developed and implemented as a matter of urgency.

Summary of terminations are as follows:

Resignations	- 74 which translates to 4,33% of the employee turn over.
Dismissals	- 11
Terminated Contracts	- 29
Death	- 48
Medical Boardings	- 08

POVERTY ALLEVIATION AND UNEMPLOYMENT

At a Presidential Imbizo held in the Vaal, President Thabo Mbeki, asked both the Public Service and Private institutions to address unemployment facing the communities, and did we respond. ELM has embarked on the SPWP programme within the Service Delivery Cluster which concentrated on Infrastructure, Waste Management, Cleaning and the Environment. The programme has attracted seven hundred and twenty four (724) “employees”.



- A functional institutional structure was approved by the municipal council in March 2008 and Council resolved that the new vacancies on the Approved Organizational Structure will be filled over a period of three (3) years so as to be in line with the salary determination in respect of the municipality's budget.
- Workplace Skills Plan has been developed and it will assist the organization in addressing the gaps in terms of the available skills in realizing the strategic goals of ELM. It will also assist in addressing scarce skills which are required as outlined by ASGISA and Skills Development Strategy.
- The PAYDAY system is fully functional and there is on-going training on different HR modules. The system will assist in terms of leave management, case management, on a continuous basis generating the employment equity plan and the linkage with the pay office.
- A Recruitment Strategy was formulated and inputs from Organized Labour were incorporated, consensus was reached in terms of implementation of this strategy.
- Labour and Management forums such as LLF, Employment equity are fully functional;
- During the Strategic Planning Session that was held at Riverside, a conscious decision was taken to establish a new business unit: **Organizational Development**. In the past years only the Organizational Work-Study was in existence in the municipality.
- The Organizational Development consists of the following core functions:
 - Performance Management Development System;
 - Change Management;
 - Employee Assistance Program;

- Occupational Health and Safety;
- Organizational Structure and Post Establishment;
- Business Process Re-engineering; and
- Job Analysis (**Principal Job Evaluation Committee**).

The above-mentioned functions were performed at minimal rate and others never existed before. Capacity was not adequate within the organization to execute some of these functions.

The ELM is reviewing current Standard Operating Procedures, and the following have been compiled i.e. Employee Assistance Program and Alcohol and Substance Abuse in the Work-Place. These were developed as a result of a great need that was expressed in terms of intake and costs involved.

EMPLOYMENT EQUITY AND SKILLS DEVELOPMENT

EMPLOYMENT EQUITY

ELM, in consultation with organized labour, have finalized a three year Employment Equity Plan for the period 2007 to 2011 as well as the Equity Plan for the period October 2007 to September 2008. The Plan and the report will be submitted to the Labour Department on or before the end of January 2009 as per extension agreement between ELM and Labour Department.

The following figure provides you with an 'As-Is' profile of the current ELM workforce which comprises employees including interns (students) and 5 Section 56 fixed-term employees:

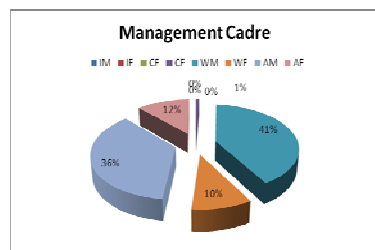
The ELM race distribution with elaboration on gender, disability and management positions compared with overall country population statistics:

Group	ELM								South Africa	
	Staff Complement		Management (Professionals upward)						Population (000) ¹	%
	Total	%	Total	%	Total Male	%	Total Female	%		
White	335	11.58	67	50.75	54	40.9	13	9.84	4.293 640	9.1
African	2531	87.5	66	48.48	50	36.36	18	12.1	35.416 166	79.5
Colored	12	0.0042	1	0.75	0	0	1	0.8	3.994 505	8.9
Asian	5	0.0019	0	0	0	0	0	0	1.115 467	2.5
Disabled ²	9	0.0019	5		5		0			

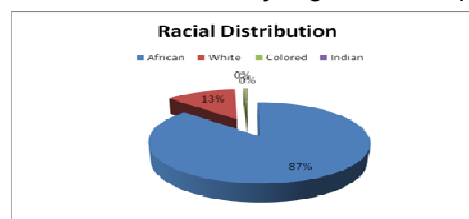
¹ Statistics South Africa, Stats in Brief

² The disabled form part of the race distribution

Total	2892		139		104		31		44.819.778	100
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From the above the Emfuleni Local Municipality's management cadre is largely male (77.26%) and within that 40.9% White male. In the senior management levels there is a major gender inequity (too few women) (see graph below: Gender distribution). The technical and professional



levels/functions, which are based in our service delivery cluster, are largely male. Although Africans in total account for 87.5% of the ELM workforce, the majority are at lower levels that is, general workers between levels 14 – 16 or 1185 make up almost 40% of the ELM workforce.

Females comprise 31% of the ELM employees versus the recent Statistics South Africa census of 52.35% females in South Africa. The same is true for male employees at 69% of the workforce versus the national demographic of 47.65%. The Statistics South Africa census 2001 furthermore provides the following current National Demographic statistics which shows that ELM has a long way to go to achieve demographic parity:

- African 79.5%
- White 9.1%
- Coloured 8.9%
- Indian 2.5%

As per the legislative requirements of ensuring there is consultation on equity issues, the Employment Equity and Skills Development Forum were established. Representation to the Forum is both management and organized labour.

In terms of the five years Employment Equity Plan (30 August 2006), the following numerical goals, yearly milestones for each year of the plan were agreed upon namely:

- Representation of black people (Africans, Coloured and Indians) in management positions i.e. job levels 0 – 5 must be at least 70% by June 2006 (A target of at least 14% per year). In this regard, at the end of the financial year 2006/2007 Emfuleni Local Municipality had a representation of black people 49.23% indicating a need to revamp our employment equity plan.
- Representation of woman in management position i.e. job levels 0 – 5 must at least be 30% by June 2006 (A Target of 5% per year of the plan). Although a number of woman were appointed into Senior positions, Emfuleni Local Municipality failed to achieve its intended objectives as women only accounted for 22.65% at the end of the period in review.
- Representation of people with disabilities in management position i.e. job level 0 – 5 must at least be 2% by June 2006 (A target of 0.4% per year of plan). The intended target was completely not reached. It is therefore reported that there is a challenge to improve our strategy in this regard.

Another shortcoming has been that clusters do not have clear Employment Equity and succession plans, which are aimed at enhancing both vertical and horizontal mobility from people in designated groups. Little effort was placed on dealing with gender parity at both the planning and capacity building stages.

SKILLS DEVELOPMENT

The key performance areas of the Training and Development Section of the Department of Human Resources are;

- Conduct Skills Audit
- Establish training needs according to results of Skills Audit
- Arrange training accordingly
- Compiling of a Workplace Skills Plan (WSP).
- Compile an Annual Training Report (ATR)
- Submit both the WSP and ATR to LGSETA (Local Government Sector Education and Training Authority)
- Submit monitoring reports to LGSETA.
- Source Training Providers
- Facilitate Training for the entire workforce

One of the critical areas in which Emfuleni Local Municipality faced a challenge in the past was Skills Development due to a lack of human resources capacity. In May 2007 the vacant positions of the Skills Development facilitator and a Training Officer were filled.

The following posts on the approved organogram were identified as critical vacancies to be filled in the 2007/2008 financial year:

- Assistant Manager: Training and Development, on level 3,(vacant)
- Two Training Officers, on level 7/6 (new)
- Two Admin Assistants, on level 9, (new)

In terms of the Skills Development Act Organizations are required to develop a Workplace Skills Plan in every planning year. The newly appointed Skills Development Facilitator (SDF) did compile the Workplace Skills Plan (WSP) for Emfuleni Local Municipality and submitted in on time to the Local Government Sector Education and Training Authority (LGSETA).

The following Training has been provided for the financial year July 2007 – June 2008

SUMMARY OF TRAINING ATTENDED

COURSE	NUMBER OF PEOPLE	COST
ABET	99	R343 499.00
Computer training	570	R688 446.00
AAT L/G. Accounting	41	DPLG
Grievance Procedure Workshop	39	R60 000.00
Disciplinary Procedure		In House
Fire Protection Ass of SA	19	R59 815.80
EE & SDF Workshop	19	LGSETA
Administrator Express	122	

Safety Induction	529	In-House
Batho-Pele	38	In-House
Implications of the Law a contract on Municipality	2	R13 677.72
Integrated Management of TB, HV, STI, PHC	15	In-House
Bridging Course/General Nursing	3	In-House
Primary Health Care	48	In-House
Life Skills	52	In-House
Traffic Officers Diploma	7	R71 400.00
Dragger Training	14	R3 648.00
Lider Training (Travelo)	11	R3 990.00
Siyangqoba Seminar	2	R17 772.60
Crime Prevention	2	R5 500.00

Country population statistics. (See the table under Employment Equity Sub-heading

The ELM race distribution as compared to the Economically Active population of the country, Statistics South Africa: pg 66, 2001.

One of the critical areas which Emfuleni faced as a problem was skills development. In terms of the Skills Development Act organizations are required to develop a Workplace Skills Plan in every planning year. Emfuleni has been submitting the Workplace Skills Plan's to the LGWSETA which were approved each year, and Council received a grant in excess of a million rand each year.

The intended programmes have however not been fully fulfilled. This is as a result of lack of human resources capacity. Another sad but true reason is that line managers do not develop their departmental training programmes in tandem with their own submissions or requirements.

Because of lack of human resources capacity in this year 2006, Council had to request an extension on the submission of the Skills Plan. Again without line managers coming to the party, Council is faced with the likelihood of non compliance.

The race and gender distribution is tabled below:

The ELM race distribution with elaboration on gender, disability and management positions compared with overall co

Group (000)	Economically Active (000)		Not Economically Active (000)		ELM staff numbers	
	Numbers	%	Numbers	%	Numbers	%
African 22 923	12 409	54.1	10 514	45.9	2531	86.8%
White 3023	2 072	68.5	951	31.5	335	12.59
Coloured 2 710	1 775	65.5	935	34.5	12	0.0042
Asian/Indian880	547	62.2	333	37.8	5	0.0019

Disabled					9	0,277
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The current ELM statistics does not reflect the economically active numbers in South Africa, given that these numbers in themselves are not equitable across the race and gender levels and in particular a unique area such as Emfuleni.

HUMAN RESOURCE MANAGEMENT POLICIES AND PRACTICES

BACKGROUND

Notwithstanding the fact that the critical Human Resources Policies have been approved by the municipal council in the past, it is imperative for the municipality to align such policies with a Human Resources Strategy.

In line with the international HR best practices the ELM is in a process of drafting the HR Strategy which will in turn assist in identifying critical HR policies and bring about uniformity. This also includes the Standard Operating Procedures.

INDUCTION OF NEW EMPLOYEES

The Employee Relations division conducted induction for six hundred and eighteen (618) newly appointed employees during the year under review. This number excludes the section 56 employees but includes the SPWP employees.

CHALLENGES

Not all newly appointed employees were inducted because of capacity problems, the awaited introduction of the main agreement and the on-going negotiations of the new disciplinary code and procedure by SALGA and organized Labour at nationally level which is binding locally.

Disputes and challenges have increased slightly example the 2006-2007 FY there were 8 grievances and in the 2007-2008 IE, Disputes numbered 9.

Grievances numbered 22 in the 2006-2007 P4. In the year under review, there were 47 grievances. These grievances related mainly to salary disparities which are 335 currently being attended to though and salary disparities committee, which 2831 comprises of management and organized labor.

Appointments

For the period in question a total of 127 appointments were made. The number could have been more had it not been because of the moratorium on recruitment imposed during the period in question.

Recommended solutions

Reports for the last two phases of the negotiation will serve at the section 80 and LLF and council meetings. It is agreed that both reports will be favorably considered by council.

Achievements

The following were the significant for the financial year under review:

1. Conclusion and adoption of the new organizational structure by council in March 2008.
2. Submission of the Workplace skills plan (WSP) to the LGSETA.
3. Appointment of the skills development facilitator which is a legislative requirement.
4. Conclusion and documentation of the minimum essential service agreement. The process involved organized labour.

VIGOROUS COMMUNICATION WITH STAFF ON SUMMARISED PIECES OF LEGISLATION RELATING TO LABOUR RELATIONS

The purpose is to update the employees on relevant pieces of legislation and also to inform employees of pieces of legislation governing employment relations and to comply with directive issued by Minister of Labour. The main collective agreement in place has been workshopped with all the depots in the language understood by the unskilled labourers. Above this, summary of pieces of legislation such as Basic Conditions of Employment, OHS Act, Batho Pele Principles Chart, Disciplinary Chart, to mention a few, has been posted on all Municipal offices.

LOCAL LABOUR FORUM (LLF)

The LLF within Emfuleni comprises of representatives from IMATU, SAMWU and Management. The management component consist of senior staff and Councillors from the Secretariat and Administration Cluster.

There has been a significant improvement in sittings of the LLF in that the meetings sit once a month as per a yearly schedule. This does not prevent the forum from having special sittings when a need arise.

For effective and efficient running of the affairs of mutual interest between management and organized labour the under-mentioned committees have been established and are responsible for advising the LLF on issues assigned to them and the implementation thereof (where necessary) as approved by the municipal council.

Two RBO exercises were held successfully during the financial year in question.

A week long training on disciplinary procedure was conducted, internally, for the SAMWU shop-stewards.

DISCIPLINARY TRIBUNALS, GRIEVANCES AND DISPUTES

These disciplinary tribunals are held to encourage departments to deal with earnest on disciplinary matters while it has commenced. The tribunal compiled a database of prevalent misconducts which is used to formulate relevant and informed intervention mechanisms. Continuous training was held from middle to senior Management in handling disciplinary matters. Despite the fact that senior management has been trained on the grievance and disciplinary procedures they are not willing to assist in the enquiries and as a resultant consequence the legal business unit has been playing a major role in the disciplinary enquiries within the municipality.

Disciplinary hearings.

Reported cases	22
Concluded	14
Pending	4

Two long outstanding disciplinary matters from 2005 are still pending under the year in review.

Grievances

Reported	40
Resolved	36
Unresolved	4

Disputes

Reported cases	13 on going at the Bargaining Council.
Pending	3 at Labour Court
Concluded	0

HUMAN CAPITAL DEVELOPMENT

Please refer to the heading Skills Development above – 3.3.2

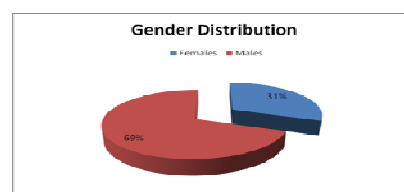
SUCCESSION PLANS

A major shortcoming is that Clusters do not have clear succession plans, which are aimed at enhancing both vertical and horizontal mobility from people in designated groups. Little effort has in the past been put to deal with gender issues, both at the planning and capacity building aspects. A project will be undertaken over the next financial year to complete a succession and a career pathing strategy, policy and plans.

AFFIRMATION OF WOMEN

See discussion under 3.3.1

Still much needs to be done to reach gender parity.



LEAVE

During the period from July 2007 to June 2008 a total of 4646 leave days were taken and sick leave was at 221. Compared to the last financial year, 2006/2007, the number of leave days has increased dramatically whilst the sick leave has gone down substantively. The reason for this is that the ELM is implementing the Collective Agreement between SALGA and organized labour in that employees cannot accumulate more than 48 days leave per annum. The principle is that if employees do not use accumulated days they forfeit days over 48. The implication is that employees are taking a deserved rest and ELM is moving away from a tired workforce.

In so far as sick leave is concerned, employees who are continuously sick are being medically boarded. Despite this move there are challenges in that the service providers, that is pension/Provident Funds, are slow to process the medical boarding applications.

Sick Leave are summarised as follows:

SICK LEAVE	ANNUAL LEAVE	
MONDAYS	174	2413
FRIDAYS	47	2233
TOTAL	221	4646

EMPLOYEE ASSISTANCE PROGRAMME

The challenge has been and still is to establish a fully fledged EAP desk with a clear policy framework and programme of action. The desk clearly lacks a staff complement and is managed by one junior practitioner. Necessary resources are required such, if approved, will alleviate the problem.

OCCUPATIONAL HEALTH AND SAFETY

It is the legal mandate in terms of Occupational Health and Safety Act No. 85 of 1993, that minimization of all safety-related incidents at Emfuleni Local Municipality remains a focal point of our safety improvement drive. Although significant efforts are made on our occupational health and safety performance, there are still problems encountered in terms of safety compliance as illustrated below.

The ELM is obliged and will continuously strive to put occupational health and safety systems in place in order to prevent incident/injuries which might affect its employees, and persons other than its employees

An internal occupational health and safety audit was conducted early 2008 and a report was submitted to Senior Management. The audit report clearly illustrated various deviations at different areas which required an action plan.

ELM engaged the Department of Labour in order to conduct inspections in various areas and to assist with Occupational Health and Safety compliance, this did not materialize due to their tight schedule.

ELM also received a quotation from NOSA Micro Mega late last year (2008) in order to conduct a base line risk assessment in the entire organization.

OD intends to re-invite the Department of Labour and source funds for external service provider early in (2009) in order to proceed with the projects as planned.

Re-bates from the Compensation Commissioner were received in (2008) and OD intended to utilize these funds to install the damaged safety/fire equipments such a fire sprinklers, emergency chairs and install emergency sirens at strategic points of ELM buildings and offices.

The Injury Statistics /IOD are as follows as per departments:

Department	Lost Time Injuries	Minor	Fatal
Electrical	17	0	0
Parks	03	0	0
Roads	08	0	0
Mechanical Workshop	03	0	0
Fire& Emergency	08	0	0
Cleansing	27	0	0
Health	01	0	0
Traffic	17	0	0
Human Resources	01	0	0
Corporate	01	0	0
Library	01	0	0
Building	01	0	0
Finance	01	0	0
Sports & Recreation	01	0	0
PMU	01	0	0
Metsi -A- Lekoa	01	19	1
Total	92	19	1

Training and Legal Appointment in terms of Occupational Health and Safety Act (85 of 1993)

Department	First Aiders	Fire fighters	Safety Reps	Safety Com. Chairperson	Excavation Inspector	Appointment
Electrical	2	2	2	1	NONE	7
Parks	2	2	2	2	NONE	8
Roads	3	2	2	1	NONE	8
Mechanical Workshop	2	4	2	1	NONE	9
Fire&Emergency	2	2	2	1	NONE	7
Cleansing	2	3	2	2	NONE	9
Health	2	2	2	3	NONE	9

Traffic	3	2	2	2	NONE	9
Human Resources	2	2	2	1	NONE	7
Corporate	3	2	2	1	NONE	8
Library	2	4	2	2	NONE	10
Building	4	2	2	1	NONE	9
Finance	2	2	2	1	NONE	7
Sports & Recreation	2	2	2	1	NONE	7
PMU	4	3			NONE	7
Metsi A Lekoa	19	13	19	5	1	57
Total	56	50	47	25	1	178

Continuation of:

Training and Legal Appointment of in terms of Occupational Health and Safety Act (85 of 1993)

CLUSTER: Basic Services	Chlorine Controllers	Risk Ass. Controllers	Safety Com. Members	Safety Co-ordinator	Excavation Inspectors	Appointment
Electrical	N/A	NONE		N/A	NONE	0
Waste	N/A	NONE		N/A	NONE	0
Roads	N/A	NONE		N/A	NONE	0
Mechanical Workshop	N/A	NONE		N/A	NONE	0
Electrical	N/A	NONE		N/A	NONE	0
Fleet Management	N/A	NONE		N/A	NONE	0
Metsi	19	10	75	1	13	118
PMU	N/A	NONE	NONE	1	NONE	1
CLUSTER: Corporate Services	Chlorine Controllers	Risk Ass. Controllers	Safety Com. Members	Safety Co-ordinator	Excavation Inspectors	Appointment
Legal	N/A	NONE		N/A	NONE	0
OD	N/A	NONE		N/A	NONE	0
Human Resources	N/A	NONE		2	NONE	2
IT	N/A	NONE		N/A	NONE	0
Communication	N/A	NONE		N/A	NONE	0
Secretariate	N/A	NONE		N/A	NONE	0
CLUSTER: Public Safety	Chlorine Controllers	Risk Ass. Controllers	Safety Com. Members	Safety Co-ordinator	Excavation Inspectors	Appointment
Traffic and Security	N/A	NONE		N/A	NONE	0
		NONE		N/A	NONE	0

Municipal Court	N/A					
Fire & Rescue	N/A	NONE		N/A	NONE	0
SRAC	N/A	NONE		N/A	NONE	0
Health	N/A	NONE		N/A	NONE	0
Social Development	N/A	NONE		N/A	NONE	0
CLUSTER: LED & IDP	Chlorine Controllers	Risk Ass. Controllers	Safety Com. Members	Safety Co-ordinator	Excavation Inspectors	Appointment
LED & TOURISM	N/A	NONE		N/A	NONE	0
Land Use Management	N/A	NONE		N/A	NONE	0
Housing	N/A	NONE		N/A	NONE	0
Properties	N/A	NONE		N/A	NONE	0
IDP	N/A	NONE		N/A	NONE	0
Building Control	N/A	NONE		N/A	NONE	0
Facilities Management	N/A	NONE		N/A	NONE	0
Department	Chlorine Controllers	Risk Ass. Controllers	Safety Com. Members	Safety Co-ordinate	Excavation Inspectors	Appointment
Finance	N/A	NONE		N/A	NONE	0
Chief Audit	N/A	NONE		N/A	NONE	0
Total	19	10	75	4	13	121

Organizational Legal Appointment of in terms of Occupational Health and Safety Act (85 of 1993).

Central Occupational Health and Safety Committee Members:

Legal Appointment	Municipal Manager	OH & S Committee	Basic Services	Corporate Services	Finance	Public Safety	LED & IDP	Political Office	Internal Audit
16.1	.								
OH&S Chairperson	N/A	.	.	.	.	.	.	NONE	.
16.2	N/A	.	.	.	.	.	.	NONE	.
GMR 2	N/A	N/A	NONE	N/A	N/A	N/A	N/A	N/A	N/A

Organizational Safety Performance

The Central Health and Safety Committee does exist and is well functioning. Meetings are held quarterly as per schedule. Four (4) meetings were planned according to a schedule, but only one of them took place due to clashing of diaries of the committee members.

Clusters Safety Performance

The Departmental Health and Safety Committee structures are in place and are functional. Occupational Health & Safety meetings are held on agreed frequency but within the guideline of OHS Act No 85 of 1993. Site inspections, incidents investigations and risk assessments are conducted promptly and adequate action plans are implemented. In an endeavour to address the above backlogs and challenges the Organization business Unit has embarked on the following:

- more safety measures and systems be improved continuously in order to have a decline on incidents/injuries;
- Training needs analyses conducted in areas where improvement is required and corrective measures to be implemented at all times;
- All occupational health & safety regular meetings AND corrective measures are documented at all times and
- A full base line audit is conducted to identify short falls of the current occupational health and safety systems of the entire organization and appropriate action plan to be implemented.

BENEFITS ADMINISTRATION COMPENSATION MANAGEMENT

The numbers of Pension Funds and Medical Aid Schemes have been reduced at SALGA level during 2004/2005 and a window period was allowed in terms of joining a medical aid scheme. The following funds and schemes were retained in 2006/2007.

Pension Funds

- Municipal Gratuity Fund
- Municipal Employees Pension Fund
- Municipal Councillors Pension Fund
- SAMWU National Provident Fund
- SALA Pension Fund
- National Fund for Municipal Workers

Medical Aid Schemes

- Munimed
- Bonitas
- Hosmed
- SAMWUMED
- Global Health
- LA Health

STAFF COMPONENT PER FUNCTION

The ELM administration is divided into five clusters namely the BASIC SERVICES, DEVELOPMENT & PLANNING, CORPORATE SERVICES, PUBLIC SAFETY & COMMUNITY DEVELOPMENT and FINANCE. The Administration is headed by the Office of the Municipal Manager. To assist with the smooth running of the Political Wing there is also the Mayoral Office, Speaker's Office and the Chief Whip's Office.

CLUSTER	FUNCTION	NO. OF EMPLOYEES
MAYOR'S OFFICE	MANAGER	0001
	SPECIAL PROJECTS	0001
	ADMIN STAFF	0012
	VIP PROTECTION	0004
SPEAKER'S OFFICE	MANAGER	0001
	WARD COMMITTEES CO-ORDINATORS	0004
	SPECIAL PROJECTS	0001
	ADMIN STAFF	0009
	MESSAGERS	0001
CHIEF WHIP	PERSONAL ASSISTANT	0001
	ADMIN STAFF	0001
MUNICIPAL MANAGER	MUNICIPAL MANAGER	0001
	MESSENGER	0001
	ADMIN STAFF	0006
	IDP	0007
	INTERNAL AUDIT	0012
	PROJECT MANAGEMENT UNIT	0012
BASIC SERVICES	DEPUTY MUNICIPAL MANAGER	0001
	PERSONAL ASSISTANT	0001
	ELECTRICITY	0159
	WASTE MANAGEMENT	0401
	ROADS & STORM WATER	0280
	METSI-A-LEKOA	0410
	FLEET MANAGEMENT	0039
PUBLIC SAFETY & COMM DEV.	DEPUTY MUNICIPAL MANAGER	0001
	ADMIN ASSISTANT	0001
	SPORTS & RECREATION	0383
	LIBRARIES	0097
	PUBLIC SAFETY & SECURITY	0187
	FIRE & RESCUE	0098

	MUNICIPAL COURT	0034
	HEALTH AND SOCIAL SERVICES	0207
DEVELOPMENT PLANNING	& DEPUTY MUNICIPAL MANAGER	0001
	ADMIN ASSISTANCE	0002
	LAND USE MANAGEMENT	0020
	PROPERTIES ADMINISTRATION	0010
	HOUSING ADMINISTRATION	0036
	LED ,TOURISM & MARKETTING	0017
	BUILDING SECTION	0036
	FACILITIES	0024
CORPORATE SERVICES	DEPUTY MUNICIPAL MANAGER	0001
	PERSONAL ASSISTANT TO DMM	0001
	HUMAN CAPITAL	0022
	LABOUR RELATIONS	0005
	EAP	0001
	OCCUPATIONAL HEALTH & SAFETY	0008
	TRANSFORMATION & TRAINING	0005
	INFORMATION & TECHNOLOGY	00
		00
	COMMUNICATION & MARKETING	0001
	SECRETARIAT & ADMINISTRATION	0109
	LEGAL SERVICES	0008
	INTERNS (LEGAL & HR)	0024
FINANCE	CHIEF FINICIAL OFFICER	0001
	EXPENDITURE	0020
	BUDGET OFFICE	0010
	INCOME OFFICE	0089
	FINANCIAL SERVICES	0004
	DEBT COLLECTION	0032
	SUPPLY CHAIN MANAGEMENT	0014
	FINANCIAL CONTROL	0014
	RISK MANAGEMENT & GRANTS	0005
TOTAL		2892

TRENDS ON PERSONNEL EXPENDITURE TO BUDGET

The annual report of the year 2006/2007 stated in detail the anomalies which existed at ELM at that time and measures taken to address same. A functional organogram was one of the measures taken. With the assistance of the MEC: Local Government the services of Resolve

were acquired to assist with the development of the organogram. Consideration of deliverables in terms of skill level (including scarce skills) in relation to expected output and remuneration. In March 2008 Council approved the organogram and agreed that the newly created vacancies will be filled over a period of three (3) beginning the financial year under consideration.

CLUSTER	SALARIES PAID
COUNCIL	25,600,032.80
EDP	19,493,700.76
BASIC SERVICES	159,685,996.29
FINANCE	37,828,317.94
MUNICIPAL MANAGER	9,946,279.96
CORPORATE SERVICES	22,889,958.52
PUBLIC SAFETY	123,377,168.73
TOTAL SALARY COSTS	R398,821,455.00
TOTAL EXPENDITURE	R1,638,363,143.00

As at June 2008 the salary expenditure as a percentage of the total budget was at 24%.

In terms of the Municipal Systems Act, Schedule 1 and 2, councilors and staff members may not owe the Municipality for Services such as Rates & Taxes, Electricity and Water, for a period more than three (3) months. Councillors and Staff Members in breach of the Code of Conduct must be disciplined in line with the disciplinary procedures of the municipality. Most Councillors and Staff Members in arrears have made the necessary arrangements to settle their accounts.

Difficulties experienced in so far as staff members are concerned is that some claim that they are not the owners of the properties and are paying their dues to their Land Lords. Investigations are underway to determine and verify their "allegations".

Furthermore, it has been established that three (3) councilors are technically not in arrears for the following reasons:

Councillor "A" sold her house to a third party in terms of section 20 of Alienation of the Alienation of Land Act and such a transaction was registered at the Deeds Office in Pretoria. The property is still registered in the name of the said Councillor. The purchaser took occupation of the property but the Councillor concerned failed to have the consumption account registered in the name of the purchaser. The problem has been compounded by the fact that the purchaser is an indigent however, he was advised to apply for indigent status.

Councillor "B" divorced with his wife and his half share of the joint estate (the house) was transferred into the wife but he failed to remove change the municipal account into the name of the ex-wife.

Councillor "C" inherited a house from her in-laws who were registered as indigents and the municipality has failed to write off arrears accumulated by the in-laws. (during their indigency period)

DISCLOSURE OF PRIVATE INTEREST

In terms of the Municipal Systems Act Councillors and Staff Members are obliged to disclose personal financial interest in business and other sources of income other than their salaries to the Municipal Manager and the Municipal Manager must in turn keep a register for Business Disclosures as well as gifts received by Councillors and Employees during the course of their work.

ELM has complied with the requirement and has established a policy, bylaws and a register. In so far as the employees are concerned the programme of disclosure was piloted with the Section 56 Employees, Senior and Middle Management. This financial year it was extended to all employees. A total of 370 employees have declared their interest during this financial year.

COUNCILLORS AND OFFICIALS DEBT

ELM COUNCILLORS DEBT

NO. OF ACCOUNTS	DEBT MORE THAN 90 DAYS	TOTAL
25 (including the 3 above)	484 678.67	484 678.67

SEDIBENG COUNCILLORS

NO. OF ACCOUNTS	DEBT MORE THAN 90 DAYS	TOTAL
02	4 572.55	4 572.55

ELM STAFF DEBT

NO. OF ACCOUNTS	DEBT MORE THAN 90 DAYS	TOTAL
882	R10,4M	R10,4m

PERFORMANCE MANAGEMENT SYSTEM

The performance management system has been introduced to all the Municipal Manager and all Managers reporting directly to her. Above the employment contracts, Performance contracts have been entered into with the said managers. SuccessFactors, a measuring tool, is used to

measure their performance. Other contract employees were also subjected to performance although they have not signed a performance contract.

The process of rolling out the performance to other managers from level 1 to 5 has started and it is believed that the process will be completed in the next financial year.

As stated above, the Organizational Development Business Unit has been established and one of its functions is PMDS. Above this, a Performance Audit Committee has been established and is responsible for PMDS related matters. The PMDS Policy is in a draft format.

GOVERNANCE

The Emfuleni Local Municipality has the following structure in place:

Council with 85 Councillors;

Mayoral Committee comprising the Executive Mayor and 10 Members of the Mayoral Committee;

Section 79 Committees (4) and

Section 80 Committees (10).

PUBLIC PARTICIPATION & FORUMS

There were 53 public participation meetings held in the various wards, and one People's Assembly hosted in the financial year under review.

WARD COMMITTEES

Consistent with the Batho Pele philosophy as entrenched in various Government Legislation. The Municipality diligently strived to bring government closer to the people as much as possible. There are forty –three (43) Ward Committees as Council Resolution Item 103, June 2001. Subsequent to the Establishment of Ward Committees, members underwent an induction workshop regarding the role and functions of ward committees, and there has been on-going training ever since.

Food and Energy Workshop in Devonshire hotel, 02 September 2008
Housing Consumer training in Tshepiso Library, 12 November 2008

The status and functionality of the ward committee:

Functional	Fair	Collapse
33	10	None

CHALLENGES

- Capacity to execute the mandate of ward committees;
- Delay from Ward Councillors to replace members who have resigned, and lack consistency from elected members;
- Realignment from previous ward committee sector to the current ones related to Mayoral Portfolios;
- Lack of participation and commitment from Ward Councillors and PR Councillors in matters related to ward committees;
- Training of Councillors on Roles and Responsibilities of Ward Committees and
- Ward committee training per portfolio

COUNCIL MEETINGS/SITTINGS 2007/2008

ASPECT	2007/2008
Number of Ordinary Sittings	6
Number of Special Sittings	7
Number of Resolutions taken by Council	89

MAYORAL COMMITTEE MEETINGS 2007/2008

ASPECT	2007/2008
Number of Ordinary Meetings	22
Number of Special Meetings	4
Number of Resolutions	219

SECTION 80/79 COMMITTEES

NAME OF COMMITTEE	ACTUAL NUMBER OF SITTINGS
Section 80	
Waste Management and Environmental Committee	4
Housing Committee	3
LED Committee	4
Finance Committee	8
Public Transport, Roads and Public Works Committee	6
Electricity, Water and Sanitation Committee	6
Admin: Corporate Services, HR, IT and Legal Committee	4
Public Safety Committee	4
Health and Welfare Committee	4
Sport, Recreation, Arts and Culture Committee	3
Section 79	
Gender Committee	1
Land Tribunal	18
Audit Committee	6
Metsi-a-Lekoa Mandating Committee	3

COMMUNICATION AND MARKETING

The Marketing and Communication Unit has developed a media policy which still has to be formally adopted by the Council.

The Communication Strategy of the municipality drives communication activities which include council programmes, publications, media relations, events, public participation and branding. The strategy is reviewed only on an annual basis.

NEWSLETTERS

A monthly internal newsletter is published and distributed in all municipal buildings. The newsletter focuses mainly on staff issues and some external activities.

The Communication Unit also improved its website to provide information relating to:

- Tenders
- Job opportunities
- Departments and what they do
- Annual and Quarterly reports
- Budgets
- Speeches and articles
- Interactive platform where residents can send their enquiries or complaints or messages.

RADIO TALKSHOWS

The communication unit has used the following radio stations during the last year for among others to promote the Vaal River Carnival, 100 days Plan of action after the appointment of the current Executive Mayor, Spillages into the Vaal River, 16 days of activism, revenue enhancement campaign:

- Lesedi FM

- VUT FM
- Theta FM
- Vaal Community Radio
- Exhibitions

MEDIA CONFERENCES

Almost six media conferences were convened dealing with a variety of issues affecting the municipality including among others, profiling programmes of the municipality, Budget, events and political developments within the municipality. The following media institutions were targeted.

- Theta FM
- VUT FM
- Sowetan
- Beeld
- Vaal weekly
- Courier publication
- Vaal community radio
- Vaal Weekly
- SABC radio stations
- Radio 702
- City Press

PETITIONS MANAGEMENT REPORT 2008

There has been a major drive to encourage residents not to strike or engage in protests but rather to submit their petitions to the office of the Speaker.

PETITIONS RECEIVED IN 2007

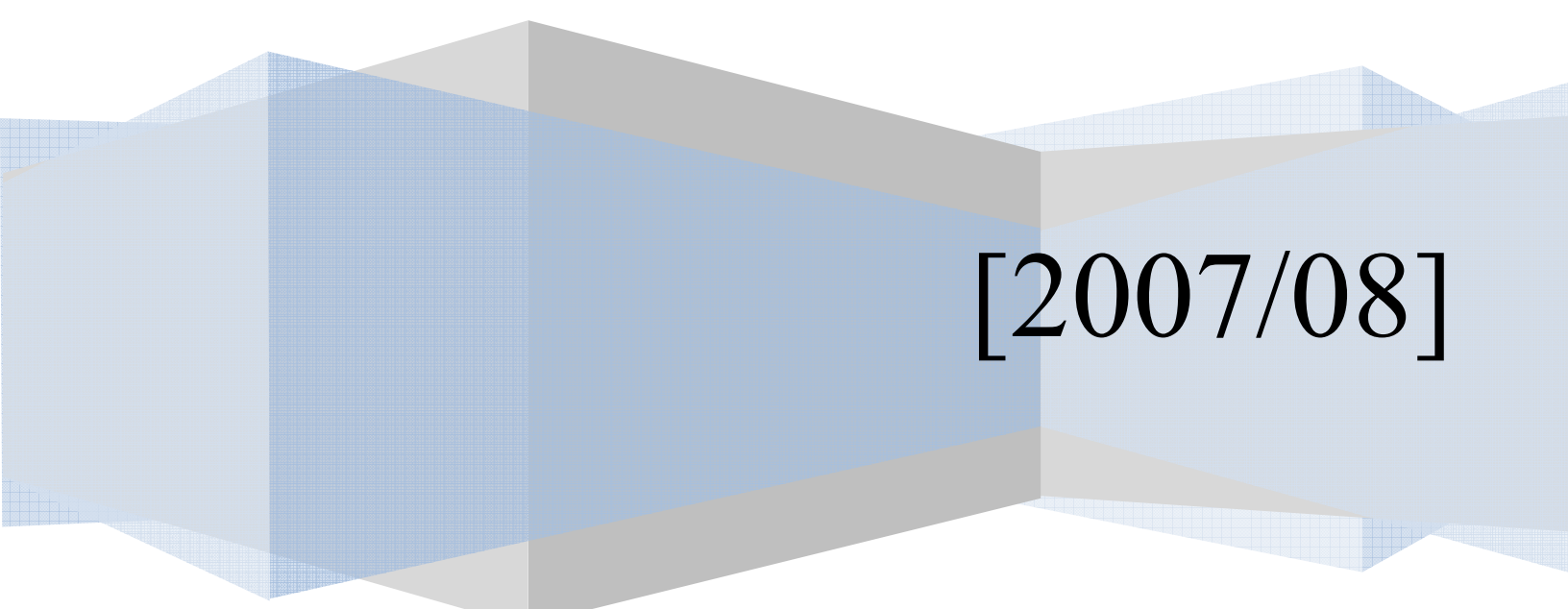
PETITION SUBMITTED BY	CONTACTS	RESPONSES	PETITIONS
Clr Coertzer	082 770 8222		Property Purchase
Bob Incarnacoa	083 393 2000		Informal Taxi Rank
MS Mkwanazi	082 712 7545		Erf 1155 development
NA Khumalo	083 437 4948		Bad roads/Illegal Dumping
A Hofmeyer	072 202 4180		Street Lights
E Van Niekerk			Assesment Rates
Clr Coertzer	082 770 8222		Removal of Trees
Sibongile	078 589 0806		Infrastructure
Sebei Motsoeneng			Billing System
DJ Mhlophe	078 609 2807		Clr Thulo
TS Khoeli	076 399 3397		Clr Ruele
Paulina			W2 & W17
L Dithagiso	082 763 9867		Clr Ntlele
Buti Lekoata	073 878 9192		Clr Mosia
Matie Daniels (ANC)	076 803 4048		Clr Louw
Ditaba Mahloko	076 280 9774		Clr E Tshabalala
P Mafolofolo	084 244 9359		Clr Mosia
F Mesatjwa	073 273 0282		Clr Mogotsi
Hans van der Merwe	016 986 8320	Department is still processing title deeds	Vaaloewer Tittle Deeds

PETITIONS RECEIVED IN 2008

PETITION SUBMITTED BY	CONTACTS	RESPONSES	DEPARTMENTS
SP MAHLAKE	084 331 1615	UNRESOLVED	
THROUGH MARCH	073 052 7005	REFERED TO THE DEPARTMENTS	METSI-A-LEKOA,HOUSING & ESKOM
BJ DUTOIT		RESOLVED	ELECTRICITY
DADDY MADISA	082 744 1157	RESOLVED	ELECTRICITY,HOUSING
SIPHO DLAMINI	079 656 6094	RESOLVED	METSI-A-LEKOA
RUDOLPH MAPHUTSI	072 923 6785	REFERD TO THE ANC	
MAKGUWE	083 732 7438	REFERD TO TE DEPARTMENTS	ELECTRICITY,ROADS & HOUSING
PATRIC SINDANE	072 052 7005	RESOLVED	WATER &ELECTRICITY,HOUSING,HEALTH
GOODMAN MOLETSANE	084 041 0171	REFERD TO THE DEPARTMENT	ELECTRICITY
LA MOLOTO		REFERED TO THE DEPARTMENT	ELECTRICITY
BENNY MOTAUNYANE	078 979 3267	UNRESOLVED	
CLR DS MOLLO		REFERED TO THE DEPARTMENTS	FINANCE & LEGAL
CLR AA MOLEKO		REFERED TO THE DEPARTMENT	HOUSING
CLR JACO KARSTEIN		REFFERD TO THE DEPARTMENT	FINANCE & LEGAL
THANDI RADEBE	083 943 1381	REFERED TO THE DEPARTMENT	ELECTRICITY
AJ GELDENHYS	082 335 6612	UNRESOLVED	
LA KORF	072 813 3075	REFERED TO THE DEPARTMENT	
MHO	076 633 9812	REFERED TO THE DEPARTMENT	HOUSING
S OPPERMAN	072 392 5334	REFERED TO THE DEPARTMNT	ENVIRONMENT
MAFA THOBEJANE	072 447 3833	UNRESOLVED	
CLR SENEKAL	082 399 8369	REFERD TO THE DEPARTMENT	FLEET MANAGEMENT

CHAPTER 4

Audited Statement and Related Financial Information



[2007/08]

**REPORT OF THE AUDITOR-GENERAL TO THE GAUTENG
PROVINCIAL LEGISLATURE AND THE COUNCIL ON THE FINANCIAL
STATEMENTS AND PERFORMANCE INFORMATION OF THE
EMFULENI LOCAL MUNICIPALITY FOR THE YEAR ENDED 30 JUNE
2008**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I was engaged to audit the accompanying financial statements of the Emfuleni Local Municipality which comprise the statement of financial position as at 30 June 2008, statement of financial performance, statement of changes in net assets, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages [xx] to [xx].

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in policy note 1.1 to the financial statements and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) my responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with the International Standards on Auditing and General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008. Because of the matters discussed in the Basis for disclaimer of opinion paragraphs, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis of accounting

4. The municipality's policy is to prepare financial statements on the basis of accounting determined by the National Treasury as set out in the accounting policies note 1.1 to the financial statements.

Basis for disclaimer of opinion

Property, plant and equipment

5. Section 63 of the MFMA requires the accounting officer of a municipality to maintain a system of internal control over assets, including a fixed asset register. The fixed asset register was not updated and was misstated due to the following:

- The asset register reflected property amounting to R1 030 000 that could not be traced to the valuation roll.
- The valuation roll reflected property amounting to R6 866 357 that could not be traced to the asset register.
- The asset register reflected property amounting to R4 152 180 that was sold previously.
- I was unable to perform a physical verification of the assets due to the incomplete asset register.
- As stated in accounting policy note 8 to the financial statements the municipality adopted the revaluation method regarding land and buildings and electrical infrastructure. No revaluation was performed in the current financial year as the last revaluation was performed in 2003.

Consequently, I was unable to obtain adequate assurance of the existence, valuation and completeness of items of property, plant and equipment as included in note 7 to the financial statements.

Valuation of provision for credit losses

6. The municipality followed the process required by IAS 39: Financial Instruments: Recognition and Financial Measurement to calculate the provision for credit losses for consumer debtors amounting to R1 771 694 587, included in note 10 to the financial statements. However, all of the assumptions used in this calculation could not be verified to sufficient and appropriate audit evidence. These assumptions related to the expected collection rates of debtors, the interest rate used in the present value calculation and the expected period over which the amounts were to be collected. I was not able to determine whether any adjustments might have been necessary to the amounts shown in the financial statements for the provision for credit losses as I was unable to verify the reasonableness of these assumptions due to the lack of sufficient and appropriate audit evidence.

The municipality raised provisions for credit losses on sundry debtors and housing and rental debtors amounting to R78 865 262 and R11 555 738 respectively, as disclosed in note 11 to the financial statements. These provisions were not calculated in accordance with the process required by IAS 39 as the full balances were provided for without taking into account the specific circumstances of each debtor. Accordingly, I was not able to determine whether any adjustments might have been necessary to the amounts shown in the financial statements for sundry debtors, housing and rental debtors, surplus for the period, and accumulated surplus.

Lease liabilities

7. The municipality made lease payments totaling R13 685 099 during the prior reporting period as disclosed in note 21 of the financial statements. Due to the incorrect classification of these leases, the accumulated surplus, leased assets and capitalised lease liabilities in the prior reporting period have not been corrected. While the municipality has correctly classified the leases as finance leases in the current reporting period, the municipality has not disclosed the reconciliation between the gross projected future cashflows, interest payable and net present value of the lease liabilities as required by IAS 17 (Leases).

Non-indigent debtors and subsidies paid

8. During this reporting period subsidies amounting to R108 374 412 were paid to indigent consumers. As reported in the prior year certain consumers were classified as indigents while they did not meet the criteria for classification. The municipality initiated a process to confirm the classification of indigents however, the accounting records were not yet updated to correct the classification on indigents. Consequently, the subsidies paid to indigent debtors as disclosed in note 21 to the financial statements were overstated. The effect of this overstatement could not be quantified and I was unable to confirm the classification and accuracy in note 10 to the financial statements of consumers as indigents.

Payments received in advance

9. The municipality could not provide reconciliations in support of balances amounting to R13 571 810 included in payments received in advance as disclosed in note 3 to the financial statements. I was unable to confirm or verify by alternative means the valuation, disclosure and rights and obligations of these payments received in advance. The balance of R70 527 916, as disclosed in note 3 to the financial statements included transactions relating to unallocated deposits. The municipality was unable to determine the amounts related to each of the different classes of transactions to ensure that these amounts were appropriately classified in the financial statements. Consequently, I did not obtain all the information and explanations I considered necessary to satisfy myself as to the classification and rights and obligations of payments received in advance.

Sundry creditors

10. I did not obtain sufficient and appropriate audit evidence I considered necessary to satisfy myself as to the valuation, completeness, existence and rights and obligations of unknown income totaling R22 358 873 and various suspense account balances totaling R16 874 651 included as sundry creditors in note 3 to the financial statements.

Inventories

11. I was unable to observe the count of physical inventories stated at R14 158 533 as disclosed in note 9 to the financial statements due to limitations placed on the scope of my work by the municipality. Based on the alternative procedures performed I could not obtain all the information and explanations I considered necessary to satisfy myself as to the existence of inventories.

Retention creditors

12. The municipality was not able to provide a complete list of individual creditors in support of retention creditors totaling R12 205 639. I was unable to confirm or verify by alternative means the completeness and valuation of retention creditors totaling R12 205 639 included in note 3 to the financial statements.

Value added tax

13. The VAT Act requires that an entity maintains adequate accounting records in support of its VAT claims. An unreconciled credit difference amounting to approximately R 6 530 130 was noted between the VAT receivable per the general ledger and the VAT receivable per the VAT 201 returns as included in note 5 to the financial statements. I was unable to

confirm by alternative means the completeness and valuation of the VAT receivable amounting to R21 383 399 as included in note 6 to the financial statements.

Bank related suspense accounts

14. The municipality could not provide detailed analysis of various bank related suspense accounts in debit totalling R2 172 809 as included in sundry debtors in note 11 to the financial statements. I was unable to confirm or verify by alternative means the valuation, classification, existence and completeness of these debit balances.

Investment property and rental income

15. The municipality could not provide a complete list of all investment properties. Therefore, I could not validate the completeness and valuation of investment property and rental income totalling R8 740 440 as included in the statement of financial performance.
16. I identified that certain rental debtors were charged a lower rental rate than the rate stated in the relevant rental agreements. This special lower rate places them in the indigent category. However, documentation in support of the classification as indigents could not be obtained. Accordingly, I was unable to determine whether any adjustments might have been necessary to the amounts shown in the financial statements for rental income, consumer debtors, surplus for the period and accumulated surplus.

Provision on rehabilitation costs

17. A provision should have been made for future rehabilitation of landfill sites in accordance with Generally Accepted Municipal Accounting Practice, (GAMAP 19) *Provisions, contingent liabilities and contingent assets*. Management did not determine a reasonable estimate for this liability. I was unable to carry out the audit procedures I considered necessary and I could not determine the effect of such a liability in the financial statements

Contingent liabilities

18. A contingent liability should have been disclosed for future legal matters affecting the municipality in accordance with Generally Accepted Municipal Accounting Practice, (GAMAP 19) *Provisions, contingent liabilities and contingent assets*. The municipality did not have processes in place to identify all contingent liabilities. I was unable to confirm by alternative means the completeness and accuracy of the contingent liabilities as presented in note 26 to the financial statements.

Possible irregular expenditure

19. As required by section 36 of the Municipal Supply Chain Management Regulations a municipality is required to follow a competitive bid process when making procurements above R200 000. Management was not able to provide supporting documentation to verify compliance with Municipal Supply Chain Management Regulations for the procurement of expenditure to the value of R126 844 148. Furthermore, no disclosure was made in a note to the annual financial statements of these possible deviations.

Service charges

20. Due to the lack of an adequate documentation management system, the municipality could not provide a number of journals and related supporting documentation amounting to R19 410 101 that were processed with respect to service charges as included in note

14 to the financial statements. I was unable to confirm or verify by alternative means the completeness and accuracy of service charges. Accordingly, I was not able to determine whether any adjustments might have been necessary to the amounts shown in the financial statements for service charges or surplus for the period.

Employee costs

21. The total employee costs per the general ledger exceeded the total costs per the payroll system by an unexplained amount of R4 354 449 for which management were unable to provide sufficient and appropriate audit evidence. I was unable to confirm or verify by alternative means the completeness and accuracy of employee costs as included in note 17 to the financial statements. Accordingly, I was not able to determine whether any adjustments might have been necessary to the amounts shown in the financial statements for employee costs or surplus for the period.

Disclaimer of opinion

22. Because of the significance of the matters described in the Basis for disclaimer of opinion paragraphs, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of Emfuleni Local Municipality. Accordingly, I do not express an opinion on the financial statements.

Emphasis of matters

I draw attention to the following matters:

Significant uncertainty

23. Included in note 26 to the financial statements, was a contingent liability amounting to approximately R183 060 288 supported by related contingent assets amounting to approximately R117 399 999.

Amendments to the applicable basis of accounting

24. As set out in accounting policy note 1 the National Treasury approved a deviation from the basis of accounting applicable to the municipality in terms of Government Notice 522 of 2007 issued in Government Gazette 30013 of 29 June 2007

Fruitless and wasteful expenditure

25. As disclosed in note 30 to the financial statements, fruitless and wasteful expenditure to the amount of R132 557 was incurred, as a result of interest and penalties resulting from late payments of VAT.

Other matters

I draw attention to the following matters that relate to my responsibilities in the audit of the financial statements:

Internal controls

26. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that

gave rise to the inefficiencies in the system of internal control, which led to the disclaimer of opinion. The root causes are categorised according to the five components of an effective system of internal control. In some instances deficiencies exist in more than one internal control component.

27.

Reporting item	Control environment	Risk assessment	Control activities	Information and communication	Monitoring
Valuation of provision for credit losses	X		X		
Property, plant and equipment	X	X	X		
Lease liabilities	X		X		
Non indigent debtors and subsidies paid	X				
Payments received in advance	X		X		
Sundry creditors	X		X		
Inventories	X		X		
Retention creditors	X		X		
Value added tax	X		X		
Bank related suspense accounts	X		X		
Investment property and rental income	X		X		
Provision on rehabilitation costs	X	X	X		X
Contingent liabilities	X		X		
Possible irregular expenditure	X		X		X
Service charges	X		X		
Employee costs	X		X		
<p><u>Control environment</u>: establishes the foundation for the internal control system by providing fundamental discipline and structure for financial reporting.</p> <p><u>Risk assessment</u>: involves the identification and analysis by management of relevant financial reporting risks to achieve predetermined financial reporting objectives.</p> <p><u>Control activities</u>: policies, procedures and practices that ensure that management's financial reporting objectives are achieved and financial reporting risk mitigation strategies are carried out.</p> <p><u>Information and communication</u>: supports all other control components by communicating control responsibilities for financial reporting to employees and by providing financial reporting information in a form and time frame that allows people to carry out their financial reporting duties.</p> <p><u>Monitoring</u>: covers external oversight of internal controls over financial reporting by management or other parties outside the process; or the application of independent methodologies, like customised procedures or standard checklists, by employees within a process.</p>					

Non-compliance with applicable legislation

Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)

28. As reported in the 2006/2007 audit report, the municipality re-financed a loan of R20 000 000 contrary to section 46(5) of the MFMA. This matter was not yet resolved at the time of this report.

Value-Added Tax Act, 1991 (Act No. 80 of 1991) (VAT Act)

29. As reported previously, the income from exempt supplies was not disclosed on the VAT 201 forms as required by the VAT Act.
30. The municipality incorrectly claimed input tax on subsistence allowances to employees.
31. Section 20 (4) of the VAT Act requires all invoices to clearly identify the VAT status of the transactions. Contrary to section 20 the statements for consumers did not reflect the VAT status (exempt, standard rated or zero rated) of transactions.

Matters of governance

32. The MFMA tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows:

Matter of governance	Yes	No
Audit committee		
• The municipality had an audit committee in operation throughout the reporting period.	X	
• The audit committee operates in accordance with approved, written terms of reference.	X	
• The audit committee substantially fulfilled its responsibilities for the reporting period, as set out in section 166(2) of the MFMA.	X	
Internal audit		
• The municipality had an internal audit function in operation throughout the reporting period.	X	
• The internal audit function operates in terms of an approved internal audit plan.		X
• The internal audit function substantially fulfilled its responsibilities for the reporting period, as set out in section 165(2) of the MFMA.		X
Other matters of governance		
• The annual financial statements were submitted for audit as per the legislated deadlines in section 126 of the MFMA.	X	
• The annual report was submitted to the auditor for consideration prior to the date of the auditor's report.		X
• The financial statements submitted for audit were not subject to any material amendments resulting from the audit.		X
• No significant difficulties were experienced during the audit concerning delays or the unavailability of expected information and/or the unavailability of senior management.	X	
• The prior reporting period's external audit recommendations have been substantially implemented.		X
Implementation of Standards of Generally Recognised Accounting Practice (GRAP)		
• The municipality submitted an implementation plan, detailing progress towards full compliance with GRAP, to the National Treasury and the relevant	X	

Matter of governance	Yes	No
provincial treasury before 30 October 2007.		
<ul style="list-style-type: none"> The municipality substantially complied with the implementation plan it submitted to the National Treasury and the relevant provincial treasury before 30 October 2007, detailing its progress towards full compliance with GRAP. 		X
<ul style="list-style-type: none"> The municipality submitted an implementation plan, detailing further progress towards full compliance with GRAP, to the National Treasury and the relevant provincial treasury before 31 March 2008. 	X	

Unaudited supplementary schedules

33. The supplementary information set out on pages X to X does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion.

OTHER REPORTING RESPONSIBILITIES

REPORT ON PERFORMANCE INFORMATION

34. I was engaged to review the performance information.

Responsibility of the accounting officer for the performance information

35. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

Responsibility of the Auditor-General

36. I conducted my engagement in accordance with section 13 of the PAA read with General Notice 616 of 2008, issued in Government Gazette No. 31057 of 15 May 2008 and section 45 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
37. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgment.
38. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Non-compliance with regulatory requirements

No performance management system was in place

39. As reported previously, the municipality still did not have a performance management system in place for the year under review. Accordingly, the municipality did not comply with section 38, 39, 40 and 41 of the Municipal Systems Act, 2000, (Act No. 32 of 2000) as well as regulations 7 and 13 of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

Internal auditing of performance measurement not performed

40. The Emfuleni Local Municipality did not develop and implement mechanisms, systems and processes for auditing the results of performance measurement as part of its internal audit processes, as required in terms of section 45 of the Local Government: Municipal Systems Act, 2000, (Act No. 32 of 2000).
41. The internal auditors of the Emfuleni Local Municipality did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the municipal manager and the performance audit committee as required by regulation 14 (c) of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

Existence and functioning of a performance audit committee

42. The performance audit committee did not function effectively for the reporting period. Contrary to regulation 14 (4)(a) of the Local Government: Municipal Planning and Performance Management Regulations, 2001, the performance audit committee did not meet at least twice during the financial year and did not review the Emfuleni Local Municipality performance management system and made recommendations in this regard to the council of the Emfuleni Local Municipality. Furthermore, no audit report was submitted to the council of the Emfuleni Local Municipality regarding the performance management system during the reporting period.

Development objectives per IDP not reflected in SDBIP

43. I could not link some of the development objectives per the Integrated Development Plan (IDP) to the key performance areas in the Service Delivery Budget Implementation Plans (SDBIP). Accordingly, I could not confirm that the municipality conducted its affairs in a manner which was consistent with the IDP (section 36 of the Local Government Municipal Systems Act, 2000, Act No. 32 of 2000), nor whether resources were allocated in terms of the municipality's annual budget were based on development priorities and objectives as set out in the IDP (Regulation 6 of the Local Government: Municipal Planning and Performance Management Regulation, 2001). The list below provides examples of development objectives not reflected in the SDBIP:
- Environmental Management
 - Financial Viability
 - Institutional development and transformation
 - Youth, gender, disability and elderly
 - Public Participation
 - Fire and Rescue services

Lack of sufficient appropriate audit evidence

44. I was unable to obtain sufficient appropriate audit evidence in relation to the performance information relating to the targets for water care works and repairs and maintenance on vehicles and equipment projects, as the systems used for generating the information was not adequate for purposes of the evaluation.

Annual performance report not submitted for audit

45. The municipality did not submit the annual performance report for audit purposes.

APPRECIATION

46. The assistance rendered by the staff of Emfuleni Local Municipality during the audit is sincerely appreciated.

Johannesburg
30 November 2008



A U D I T O R - G E N E R A L

CHAPTER 5

FUNCTIONAL AREAS: SERVICE DELIVERY



[2007/08

SERVICE DELIVERY FUNCTIONAL AREAS – EMFULENI LOCAL MUNICIPALITY

For more information on service delivery, visit the Municipality's website at

www.emfuleni.gov.za or use the contact numbers provided below:

Main switchboard: 016 950 5000

Call centre:

Website: www.emfuleni.gov.za
P.O Box 3, Vanderbijlpark 1900

Acting Municipal Manager: Tsietsi Warden Moeti

Tel: 016 950 5102

Fax: 016 950 5030

Public Safety and Community Development

Library & Information Services

Parks and Cemeteries

Social Development and Health Services

Traffic and Security

Municipal Court

Fire and Rescue

Sports, Arts Culture and Recreation

Acting Deputy Municipal Manager: Lucky Kamolane

Tel:

Cell:

Fax:

Corporate Services

Human Capital
Organizational Development
Employment Equity
Legal Services
Communications
Information Technology
Secretariat & Administrative Services

Acting Deputy Municipal Manager: Nomasonto G Mofokeng

Tel:
Cell:
Fax:

Economical & Social Development

Property Management
Social Development
Facility Management
Building Management
Housing
Land Use Management
Properties
Economic Development
Tourism

Deputy Municipal Manager: Dr. Hein Wiese

Tel:
Cell:
Fax:

Financial Services

Income
Debt Collection
Revenue
Expenditure
Supply Chain Management
Budget

Acting Chief Financial Officer: Prince Motaung

Tel:
Cell:
Fax:

Basic Services

Water and Sanitation

Electricity

Waste Management

Project Management Unit

Roads and Storm Water

Fleet Management

Acting Deputy Municipal Manager: Evert Van Helden

Tel:

Cell:

Fax: